

8/8/78-8/9/78-President's Trip to NYC [1]

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THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

August 7, 1978

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFANO *Joe Califano*

SUBJECT: Background for Your Trip to New York City

This memorandum provides some background on two issues that we discussed in connection with your trip to New York City.

- New York State's Hospital Cost Containment Legislation. Under Governor Carey, New York State has been a fore-runner in combating runaway hospital costs. New York's program sets up categories into which groups of comparable hospitals are placed, and then establishes a ceiling on rate increases for each category. Over the past two years, New York has held the rate of increase in hospital costs to roughly the general rate of inflation in the economy. In 1976, for example, while hospital costs throughout the country increased 15 percent, the increase in New York State was held below 10 percent. More recent data from 1977 show that the increase in hospital expenditures per admission may have been only about 7 percent, which is a notable achievement -- and proves that your cap of one and one-half times the rate of inflation can be met.

New York's use of prospective limits on hospital rates is unique among all the cost containment programs in the country, and shows that prospective limits can work.

New York State is also a leader in eliminating surplus hospital beds that can drive up the cost of medical care. While the overall supply of beds in this country has been increasing at two to three percent a year, New York has reversed the tide -- and achieved a net reduction of three percent in hospital beds in the past year.

- Reduction in New York City's Welfare Rolls. The number of welfare recipients in New York City has fallen to its lowest level since June, 1969. In the first six months of 1978, there was a 2.6 percent drop in the number of recipients -- which alone yielded nearly \$20 million in welfare savings compared to the first half of 1977.

The city attributes the decline to improved management techniques, including more careful and frequent eligibility determinations, and expanded use of computer matches. According to the city's Human Resources Administration, the use of computers is responsible for uncovering 40,000 cases of welfare fraud over a two-year period.

But there are serious caveats:

- New York has one of the highest error rates in the country: 10.5 percent in AFDC (as compared to 3.5 percent in California, for example).
- Inflation probably accounts for much of the reduction by raising income high enough to make potential recipients ineligible. Indeed, the national trend is toward declines in welfare rolls, as a result of inflation and reductions in family size.
- My staff does not have its own figures for New York City, has not had the chance to verify the City's statistics, and is not impressed with New York's management of AFDC.

I recommend you praise the Governor and the State on hospital cost containment, and that you stay away from any mention of reductions in the welfare rolls.

CALL

Talking Points for Meeting/Conversation

With Congressman James Corman

- Jim, the Country, the Democratic party, and you and I as elected officials must not fail in this two year effort to put together a responsible energy policy.
- I need your help.
- The world is watching to see if we come to grips with our energy problem. In view of my pledge to foreign leaders, and the increasing concern over the dollar, we cannot afford to fail.
- The natural gas conference report is a sound compromise that will be good for the nation. It will increase supplies of our premium fuel for the nation's consumers while providing price certainty and new markets for the nation's producers.
 - o Even the Act's opponents do not dispute the critical fact that substantial additional quantities of natural gas will flow into the interstate market at prices below that of the displaced alternate fuels.
 - o This could result in a savings of up to 1 million barrels per day of imported oil by 1985, and \$5 billion a year in our balance of payments.
 - o Without this bill, the only way new gas will flow into interstate commerce will be if FERC substantially raises the interstate gas price - an approach that leaves us with all the uncertainties and court challenges associated with the current, outdated regulatory framework.
 - o Under this bill there will once again be enough gas at economical prices to resume home hookups.
 - o There will also be expanding use of gas in industry, particularly the special process uses for which gas is best suited.

- o From the producer perspective, a confusing past of thousands of different contracts and vintages of gas will be replaced by several easily determined categories at certain prices - with vast new interstate markets opened up for increased production.
- Failure to pass this bill could indefinitely postpone the Alaskan Gas Pipeline Project, resulting in a loss of 1/5 of California's projected gas supply in the early 1980's.
- I understand you feel we may need the gas bill next year to pass a COET-type tax. I don't believe that is the case.
- o The real leverage in enacting a COET-type tax next year will come from my discretionary oil pricing authority which becomes effective in May of 1979.
- o Once the industry realizes they will receive no additional incentives under the discretionary authority until a COET-type tax is enacted, the producing interests in Congress will seek passage of a crude oil tax.
- o The Congress and the House are becoming more sympathetic to deregulation.
- o A vote today or next year in the House on the kind of gas bill repeatedly passed by the Senate would probably carry, costing the nation's consumers another 30 to 40 billion should the bill become law.
- If we lose this bill now, we will have lost the chance for forging a rational, middle-ground approach to natural gas policy.
- Enactment of the Compromise will:
 - o Create a national market for gas.
 - o Greatly increase supplies.

- o Cost the consumers no more than existing law.
 - o Substantially reduce oil imports.
 - o Protect home consumers.
 - o Provide substantial quantities of gas for new home hook-ups.
 - o Provide industry with added supplies.
 - o Provide certainty and reasonable new incentives for the nation's producers.
- Failure of the Compromise:
- o Will back-up sorely needed gas production in the intrastate market.
 - o Continue the trend of declining supplies in the interstate market.
 - o Lead to the increasing use of higher priced foreign energy.
 - o Continue to occupy the Congressional calendar with a debate on natural gas in the coming years.
 - o Destroy the possibility for acting on a comprehensive energy program this year.
- The Country and I need your help.

PRESIDENT JIMMY CARTER
NEW YORK CITY AID BILL, H.R. 12426
SIGNING CEREMONY
NEW YORK CITY, TUESDAY, AUGUST 8, 1978, 4:10 P.M.

SEN JAVIER MUYNIHAN, 1
~~Good~~

GOVERNOR CAREY, MAYOR KOCH, DISTINGUISHED GUESTS, AND FRIENDS:
Good DAY - NYC - USA
Geo Washington
IN A FEW MINUTES I'M GOING TO WALK OVER TO THAT DESK AND SIGN A
VERY IMPORTANT PIECE OF LEGISLATION -- THE NEW YORK CITY LOAN GUARANTEE
ACT OF 1978.

MANY OF YOU WHO HAVE GATHERED HERE TODAY WORKED HARD FOR THIS BILL--
AND WORKED HARD TO MAKE THE IMPROVEMENTS IN NEW YORK'S FISCAL AFFAIRS
THAT HELPED US TO CONVINCE CONGRESS TO PASS IT.

(--OVER--)(THIS BILL REPRESENTS A.....)

2

THIS BILL REPRESENTS A CRUCIAL STEP IN NEW YORK'S LONG AND DIFFICULT
CLIMB BACK TOWARDS SOLVENCY AND INDEPENDENCE.

BUT ITS IMPORTANCE GOES FAR BEYOND THE LIMITS OF THE FIVE BOROUGHES,
AND I'D LIKE TO TALK FOR A FEW MINUTES ABOUT WHY I THINK THIS IS AN
IMPORTANT MOMENT NOT ONLY FOR THE CITY OF NEW YORK, BUT FOR OUR ENTIRE
NATION.

AS PRESIDENT, I AM PROUD OF THIS GREATEST OF CITIES.

NEW YORK HAS BEEN THE BIG APPLE FOR THE BETTER PART OF TWO
CENTURIES.

(--NEW CARD--)(BACK IN 1790, WHEN.....)

BACK IN 1790, WHEN NEW YORK WAS ALREADY THE NATION'S LARGEST CITY,
WASHINGTON WAS JUST A SWAMP. *NY still largest. Wash still--*

NO LONGER THE SEAT OF GOVERNMENT OF THE UNITED STATES, AS IT WAS
IN 1790,...NEW YORK IS STILL A CULTURAL AND ARTISTIC AND FINANCIAL AND
DIPLOMATIC CAPITAL -- FOR THE NATION AND FOR THE ENTIRE WORLD.

FOR ARTISTS AND BUSINESS EXECUTIVES,...FOR ACTRESSES AND LAWYERS,...
FOR EDITORS AND SCHOLARS AND JUST PLAIN TOURISTS -- NEW YORK IS A MAGNET.
IN MANY ASPECTS OF LIFE, NEW YORK IS THE BIG LEAGUES.

BUT THERE'S ANOTHER SIDE TO THIS CITY AND TO THE PEOPLE WHO LIVE HERE.

(--OVER--)(NEW YORK ISN'T JUST A FOCUS....)

NOT
NEW YORK ISN'T JUST A FOCUS FOR AMBITION. IT HAS LONG BEEN A
CENTER OF COMPASSION AS WELL.

NEW YORKERS HAVE TRADITIONALLY REACHED OUT TO THOSE WHO NEEDED HELP,
NOT ONLY HERE, BUT THROUGHOUT THE REST OF THE NATION AND THE WORLD AS WELL.

NEW YORK HAS OFFERED WELCOME AND SUSTENANCE TO GENERATION AFTER
GENERATION OF NEWCOMERS LOOKING FOR OPPORTUNITY AND FOR A BETTER LIFE --
IMMIGRANTS FROM ABROAD AND PEOPLE FROM THE RURAL AREAS OF THE UNITED
STATES.

WHEN PEOPLE IN MY PART OF THE COUNTRY NEEDED SUPPORT FOR PROGRAMS
LIKE RURAL ELECTRIFICATION AND ECONOMIC DEVELOPMENT, NEW YORKERS GAVE
THAT SUPPORT.

(--NEW CARD--)(THAT STATUE IN THE HARBOR....)

THAT STATUE IN THE HARBOR HOLDS UP HER LAMP NOT FOR NEW YORKERS ALONE
BUT FOR ALL OF US.

PEOPLE IN OTHER PARTS OF THE COUNTRY HAVE SOMETIMES BEEN JEALOUS
OF NEW YORK, AND THERE WERE A FEW WHO WERE WILLING TO SEE THE BIG CITY
TAKEN DOWN A PEG.

I KNOW HOW NEW YORKERS FEEL ABOUT THAT.

ONE THING THAT SOUTHERNERS AND NEW YORKERS HAVE IN COMMON IS THAT
AT TIMES WE'VE BOTH HAD TO DEAL WITH REGIONAL PREJUDICE.

(--OVER--)(BUT IN THE FINAL ANALYSIS,.....)

BUT IN THE FINAL ANALYSIS, THIS COUNTRY OF OURS STANDS TOGETHER.

THOSE WHO THOUGHT THAT THE UNITED STATES WAS GOING TO STAND BY
WHILE ITS GREATEST CITY WENT UNDER WERE WRONG.

THE BILL I SIGN TODAY REFLECTS A SPIRIT OF MUTUAL CONCERN AND OF
COOPERATION -- THE SAME SPIRIT THAT OUR NATION MUST BRING TO BEAR AS WE
WEEK TO TAKE CONTROL OF SUCH PROBLEMS AS INFLATION, ENERGY, AND WASTE
AND INEFFICIENCY IN GOVERNMENT.

LET THERE BE NO MISTAKE ABOUT WHAT THIS BILL DOES.

(--NEW CARD--)(IT IS NOT A HANDOUT,.....)

IT IS NOT A HANDOUT. NEW YORK HAS ASKED FOR NO HANDOUTS AND HAS RECEIVED NONE.

NOR IS IT A BAND-AID APPROACH THAT SIMPLY POSTPONES THE PROBLEM.

INSTEAD, THROUGH LONG-TERM LOAN GUARANTEES, THE BILL OPENS UP ENOUGH BREATHING SPACE FOR NEW YORKERS TO COMPLETE THE DIFFICULT TASK OF RESTORING YOURSELVES TO FINANCIAL AND ECONOMIC SELF-SUFFICIENCY.

THIS BILL IS IN THE NATIONAL INTEREST.

IT IS DESIGNED TO PUT BEHIND US A DANGER THAT WOULD CREATE PROBLEMS FOR ALL OUR CITIES AND FOR THE FINANCIAL MARKETS OF THE NATION AND THE WORLD.

(--OVER--)(IF NEW YORK KEEPS ITS)

IF NEW YORK KEEPS ITS COMMITMENTS -- AS I'M SURE IT WILL -- THEN THIS BILL WILL NOT COST THE AMERICAN TAXPAYER A CENT.

IT WILL GIVE THIS GREAT CITY THE SECURITY AND THE TIME IT NEEDS TO BRING ITS BUDGET INTO BALANCE PERMANENTLY.

AND UNDER THE LEADERSHIP OF HUGH CAREY AND ED KOCH, I HAVE NO DOUBT THAT THAT GOAL WILL BE MET.

ONE OF THE FIRST ACTIONS I TOOK AS PRESIDENT-ELECT WAS TO MEET WITH YOUR MAYOR AND OTHER OFFICIALS AND TO COMMIT MY ADMINISTRATION TO A LONG-TERM, SERIOUS, RESPONSIBLE, COOPERATIVE EFFORT TO HELP NEW YORK HELP ITSELF OUT OF ITS CHRONIC FISCAL DIFFICULTIES.

(--NEW CARD--)(THIS BILL IS THE FRUIT OF.....)

THIS BILL IS THE FRUIT OF THAT COMMITMENT.

WHEN WE PROPOSED THIS LEGISLATION FIVE MONTHS AGO, MOST PEOPLE
DIDN'T THINK IT HAD MUCH OF A CHANCE.

THAT WAS BEFORE SECRETARY BLUMENTHAL AND I AND MANY OF YOU *here*
other members of CONGRESS OF HOW HARD NEW YORK HAS WORKED IN THE PAST THREE YEARS
TO SOLVE ITS PROBLEMS -- PROBLEMS THAT WERE DECADES IN THE MAKING, AND
THAT WERE PARTLY A RESULT OF CIRCUMSTANCES BEYOND THE CITY'S CONTROL.

(--OVER--)(NEW YORK HAS REDUCED ITS.....)

NEW YORK HAS REDUCED ITS WORK FORCE BY 60,000 AND ITS REAL
BUDGET DEFICIT BY MORE THAN A BILLION DOLLARS.

UNDER THE FEDERAL SEASONAL LOAN PROGRAM, NEW YORK HAS PAID BACK
EVERY PENNY, EITHER ON TIME OR AHEAD OF SCHEDULE.

THE CREDIT FOR THESE ACHIEVEMENTS BELONGS TO MANY DIFFERENT GROUPS
AND INDIVIDUALS.

NEW YORKERS HAVE RALLIED TO THEIR CITY'S COLORS.

GROUPS THAT ARE USUALLY THOUGHT OF AS NATURAL ENEMIES HAVE WORKED
TOGETHER, CONSTRUCTIVELY, TOWARD A COMMON GOAL.

(--NEW CARD--)(LABOR AND BUSINESS,.....)

LABOR AND BUSINESS, ... BANKERS AND BUREAUCRATS, ... DEMOCRATS AND
REPUBLICANS, ... POLITICIANS AND ORDINARY CITIZENS -- ALL HAVE JOINED
TOGETHER TO TAKE CONTROL OF LONG-NEGLECTED PROBLEMS.

ALL HAVE SHOWN DETERMINATION AND COURAGE IN MAKING THE SACRIFICES
THAT HAVE BEEN NECESSARY AND THAT WILL CONTINUE TO BE NECESSARY.

AND THIS IS A MESSAGE THAT WAS HEARD BY THE CONGRESS OF THE
UNITED STATES.

THE SUCCESSFUL LOBBYING WAS DONE BY YOUR ACTIONS, NOT WORDS.
THROUGHOUT THE PROCESS, NEW YORK'S LEADERSHIP TEAM HAS BEEN
EXEMPLARY.

(--OVER--)(THE STATE OF NEW YORK HAS HAD.....)

THE STATE OF NEW YORK HAS HAD MANY GREAT GOVERNORS OVER THE YEARS,
BUT I DON'T KNOW OF ONE WHO HAS DONE MORE FOR NEW YORK CITY THAN HUGH CAREY.

IN 1975, NEW YORK CITY FACED A FINANCIAL EMERGENCY THAT WAS
UNPRECEDENTED IN ITS MAGNITUDE AND COMPLEXITY.

IN THAT DARK HOUR, HUGH CAREY'S PERSONAL LEADERSHIP WAS
MAGNIFICENT.

WITHOUT HIS UNFLINCHING COURAGE, NEW YORK MIGHT NOT HAVE COME
THROUGH THE CRISIS AT ALL.

HE IS WHAT WE SOUTHERN BAPTISTS CALL A REAL MENSCH.

(--NEW CARD--)(AND ED KOCH IS A STRONG.....)

AND ED KOCH IS A STRONG MAYOR. HE HAS REFUSED TO SUGAR-COAT
THE DIFFICULT TRUTHS ABOUT YOUR FISCAL PROBLEMS,....AND NEW YORKERS
HAVE RESPONDED TO HIS CANDOR.

AS MAYOR, HE HAS LED NEW YORK IN IMPOSING TOUGH DISCIPLINE ON
ITSELF.

HE HAS MADE THE COMMITMENT TO GET NEW YORK'S BUDGET INTO TRUE
BALANCE IN FOUR YEAR'S TIME, SO THAT NEW YORK CAN ONCE AGAIN REGAIN
ITS FISCAL INDEPENDENCE.

I KNOW THAT ED LIKES TO GO UP TO PEOPLE ON THE STREET AND ASK,
"HOW'M I DOING?"

IF YOU ASK ME, ED, YOU'RE DOING FINE.

(--OVER--)(BOTH HUGH CAREY AND)

BOTH HUGH CAREY AND ED KOCH ARE FORMER MEMBERS OF CONGRESS WHO
HAD EARNED THE TRUST OF THEIR COLLEAGUES ON CAPITOL HILL.

BOTH HAVE BEEN EFFECTIVE SPOKESMEN FOR NEW YORK AT THE NATIONAL
LEVEL.

The NY Congressional delegation have been superb!

A BROAD RANGE OF ^{OTHER} GROUPS HAVE BEEN INVOLVED IN BRINGING THIS
EFFORT TO FRUITION.

~~THE CONGRESS~~, THE STATE LEGISLATURE, THE MUNICIPAL UNIONS AND
THE FINANCIAL INSTITUTIONS HAVE ALL MADE SIGNIFICANT CONTRIBUTIONS,....
AS HAVE THOSE LEADERS IN THE PRIVATE SECTOR WHO SERVED THE CITY THROUGH
THE MUNICIPAL ASSISTANCE CORPORATION AND THE CONTROL BOARD.

(--NEW CARD--)(THOSE WHO WORK FOR THE.....)

THOSE WHO WORK FOR THE CITY OF NEW YORK HAVE REDEDICATED THEMSELVES
TO ITS SERVICE.

THEIR COMMITMENT IS EXEMPLIFIED BY THE SIX BRAVE FIRE FIGHTERS WHO
GAVE THEIR LIVES LAST WEEK IN THE LINE OF DUTY.

THE NEW YORK CITY LOAN GUARANTEE ACT OF 1978 IS A STEP TOWARD
THE FULFILLMENT OF AMERICA'S NATIONAL URBAN POLICY.

IT IS PART OF A MUCH LARGER EFFORT TO STRENGTHEN THE FISCAL AND
ECONOMIC BASE OF OUR COMMUNITIES.

(--OVER--)(HERE IN NEW YORK, WE HAVE ALREADY...)

IN LESS THAN 2 YEARS
HERE IN NEW YORK, WE HAVE ALREADY INCREASED FEDERAL AID BY MORE THAN
30 PERCENT,AND WE HAVE PROPOSED MAJOR URBAN LEGISLATION WHICH WOULD
BRING SIGNIFICANT BENEFITS TO THIS CITY.

WHEN I ANNOUNCED THE NATIONAL URBAN POLICY IN MARCH, I CALLED FOR A
NEW PARTNERSHIP, INVOLVING THE PRIVATE SECTOR OF OUR ECONOMY, ...LABOR, ...
CITIZENS GROUPS, ...AND ALL LEVELS OF GOVERNMENT -- LOCAL, STATE, AND FEDERAL.

HERE IN NEW YORK, THAT NEW PARTNERSHIP IS A REALITY.

NEW YORK IS PROVING THAT WITH DETERMINATION AND COMMITMENT, OUR
PEOPLE CAN TAKE CONTROL OF EVEN THE MOST DIFFICULT PROBLEMS.

(--NEW CARD--)(WE CAN TAKE CONTROL OF OUR.....)

WE CAN TAKE CONTROL OF OUR ENERGY PROBLEMS -- AND WE WILL.

WE CAN TAKE CONTROL OF OUR INFLATION PROBLEMS -- AND WE WILL.

WE CAN TAKE CONTROL OF THE PROBLEM OF INEFFICIENCY AND FAT AND
POOR MANAGEMENT IN GOVERNMENT, AS NEW YORK HAS BEGUN TO DO -- AND
I BELIEVE THAT OUR NATION CAN DO IT AS WELL.

THE ROAD AHEAD WILL NOT BE EASY. THERE IS STILL A LONG WAY TO GO.
LIKE THE NATION AS A WHOLE, NEW YORK FACES TOUGH DECISIONS AND
MORE SACRIFICES DOWN THE ROAD.

(--OVER--)(WORKING TOGETHER, WE CAN.....)

WORKING TOGETHER, WE CAN ENSURE THAT ONCE AGAIN -- IN THE WORDS
OF E.B. WHITE -- "NEW YORK IS TO THE NATION WHAT THE CHURCH SPIRE IS TO
THE VILLAGE -- THE VISIBLE SYMBOL OF ASPIRATION AND FAITH."

WHAT WE DO HERE TODAY IS NOT AN END, BUT A BEGINNING -- A NEW
LIFE, A BETTER LIFE FOR US ALL.

THANK YOU.

#

SCHEDULE

THE WHITE HOUSE

WASHINGTON

SUMMARY SCHEDULE
FOR

VISIT TO NEW YORK CITY

AUGUST 8 - 9, 1978

From: Fran Voorde

SUMMARY SCHEDULE FOR TUESDAY - AUGUST 8, 1978

2:05 p.m. Depart South Lawn via helicopter en route Andrews AFB.

2:25 p.m. Air Force One departs Andrews AFB en route John F. Kennedy International Airport.
(Flying Time: 45 minutes)

3:10 p.m. Air Force One arrives JFK International Airport. Board helicopter for 20-minute flight to Wall Street Helopad.

3:35 p.m. Helicopter arrives Wall Street Helopad. 5-Minute motorcade from Helopad to City Hall.

3:45 p.m. Motorcade arrives City Hall. Proceed to holding room for 10 minutes PERSONAL TIME.

3:57 p.m. Depart holding room for Bill Signing Ceremony for Aid to New York City Bill. LIVE LOCAL TELEVISION. REMARKS.

4:32 p.m. Bill Signing Ceremony concludes. Proceed to holding room for 10 minutes PERSONAL TIME.

4:42 p.m. Proceed to Governor's Room, form receiving line to greet guests at the Bill Signing Ceremony.
Attendance: 600 - Duration: 45 minutes

5:30 p.m. Receiving line concludes. Board motorcade for 20-minute drive to Gracie Mansion.

5:55 p.m. Motorcade arrives Gracie Mansion. Proceed to suite. PERSONAL TIME: 1 hour, 45 minutes
NOTE: At 6:15 p.m., Cardinal Cooke will arrive for a brief meeting.

7:40 p.m. Depart suite, board motorcade for 10-minute drive to Longacre Theater.

7:55 p.m. Arrive Longacre Theater.

8:05 p.m. "Ain't Misbehavin" begins.

10:00 p.m. "Ain't Misbehavin" concludes.

10:05 p.m. Depart Longacre Theater for 2-minute drive to United States Steak House, Inc. Restaurant.

NOTE: The drive from the Restaurant to Gracie Mansion will require 10 minutes.

THE WHITE HOUSE

WASHINGTON

VISIT TO

NEW YORK CITY

AUGUST 8 - 9, 1978

TUESDAY - AUGUST 8, 1978

From: Fran Voorde

SEQUENCE

WASHINGTON, D.C. DEPARTURE - NEW YORK CITY ARRIVAL

2:05 p.m.

You and Mrs. Carter proceed to helicopter, board, and depart en route Andrews AFB.

2:20 p.m.

Helicopter arrives Andrews AFB.

OPEN PRESS COVERAGE
CLOSED DEPARTURE

You and Mrs. Carter board Air Force One.

2:25 p.m.

Air Force One departs Andrews AFB en route John F. Kennedy International Airport, New York, New York.

(Flying Time: 45 minutes)

PRESIDENTIAL GUESTS

Secretary Michael Blumenthal
Sen. D. Patrick Moynihan (D-N.Y.)<
Sen. Jacob Javits (R.N.Y.)<
Rep. Thomas Ashley (D-Ohio)<

Rep. Mario Biaggi (D-N.Y.)<
Rep. Charles Rangel (D-N.Y.)<
Rep. Joseph Addabbo (D-N.Y.)<
Rep. James Delaney (D-N.Y.)<
Rep. Leo Zeferetti (D-N.Y.)<
Rep. Stephen Solarz (D-N.Y.)<

2.

TUESDAY - AUGUST 8, 1978 - Continued

Rep. William Green (R-N.Y.) ✓
Rep. Robert Garcia (D-N.Y.) ✓
Rep. Ted Weiss (D-N.Y.) ✓
Rep. Benjamin Rosenthal (D-N.Y.) ✓
Rep. Lester Wolff (D-N.Y.) ✓
Rep. James Scheuer (D-N.Y.) ✓
Rep. Elizabeth Holtzman (D-N.Y.) ✓
Rep. Shirley Chisholm (D-N.Y.) ✓
Rep. Frederick Richmond (D-N.Y.) ✓
Rep. John Murphy (D-N.Y.) ✓
Rep. Jonathan Bingham (D-N.Y.) ✓

3:10 p.m.

Air Force One arrives JFK International Airport.

OPEN PRESS COVERAGE
CLOSED ARRIVAL

You and Mrs. Carter board helicopter.

PRESIDENTIAL GUESTS:

Secretary Blumenthal
Senator Javits
Senator Moynihan
Rep. Delaney

3:35 p.m.

Helicopter arrives Wall Street Helopad.

OPEN PRESS COVERAGE
CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Governor Hugh Carey (D-N.Y.)
Mayor Edward Koch (D-N.Y.)

You and Mrs. Carter proceed to motorcade for boarding. Governor Carey and Mayor Koch will accompany you.

TUESDAY - AUGUST 8, 1978 - Continued

3:40 p.m.

Motorcade departs Wall Street Helopad
en route City Hall.

(Driving Time: 5 minutes)

3:45 p.m.

Motorcade arrives City Hall.

PRESS POOL COVERAGE
CLOSED ARRIVAL

Escorted by Governor Carey and Mayor
Koch, you and Mrs. Carter proceed to
holding room.

3:47 p.m.

You and Mrs. Carter arrive holding room.

PERSONAL TIME: 10 minutes

BILL SIGNING CEREMONY FOR AID TO NEW YORK CITY BILL

3:57 p.m.

You and Mrs. Carter depart holding
room en route offstage announcement area.

3:58 p.m.

You and Mrs. Carter arrive offstage
announcement area of City Hall steps and
pause for announcement.

Announcement.

You and Mrs. Carter proceed to stage
and take your seats for Bill Signing
Ceremony for Aid to New York City Bill.

OPEN PRESS COVERAGE
LIVE LOCAL TELEVISION
CROWD SITUATION

4:01 p.m.

National Anthem

4:03 p.m.

Remarks by Mayor Koch, concluding
in the introduction of Governor
Carey.

4:08 p.m.

Remarks by Governor Carey.

TUESDAY - AUGUST 8, 1978 - Continued

4:11 p.m.

Introduction of you by Mayor Koch.

4:12 p.m.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE
LIVE LOCAL TELEVISION

4:22 p.m.

Your remarks conclude.

You proceed to George Washington Desk
and take your seat.

4:24 p.m.

You sign the Aid to New York City Bill.

OPEN PRESS COVERAGE

4:30 p.m.

Bill Signing Ceremony concludes.

You and Mrs. Carter bid farewell to
platform guests and proceed to holdin
room.

4:32 p.m.

You and Mrs. Carter arrive holding
room.

PERSONAL TIME: 10 minutes

RECEPTION FOR GUESTS AT THE BILL SIGNING CEREMONY

4:42 p.m.

You and Mrs. Carter, escorted by
Governor Carey and Mayor Koch, depart
holding room en route Governor's Room.

4:45 p.m.

You and Mrs. Carter, accompanied by
Governor Carey and Mayor Koch, arrive
Governor's Room, proceed inside and
form receiving line to greet guests
at the Bill Signing Ceremony.

PRESS POOL COVERAGE
ATTENDANCE: 600

5.

TUESDAY - AUGUST 8, 1978 - Continued

Receiving line begins.

5:30 p.m.

Receiving line concludes.

You and Mrs. Carter bid farewell to guests and proceed to motorcade for boarding. Mayor Koch will accompany you.

5:35 p.m.

Motorcade departs City Hall en route Gracie Mansion.

(Driving Time: 20 minutes)

5:55 p.m.

Motorcade arrives Gracie Mansion.

PRESS POOL COVERAGE
CLOSED ARRIVAL.

You and Mrs. Carter proceed to suite.

PERSONAL TIME: 1 hour, 45 minutes

NOTE: At 6:15 p.m., His Eminence Terence Cardinal Cooke will arrive at Gracie Mansion for a brief meeting with you.

ATTENDANCE AT "AIN'T MISBEHAVIN" - LONGACRE THEATER

Attire: Business Suit

7:40 p.m.

You and Mrs. Carter depart Suite en route motorcade for boarding. Gov. Carey and Mayor Koch will accompany you. (Bess Myerson and Ann Ford will be in the theater/dinner party and in a separate car in the motorcade.)

7:45 p.m.

Motorcade departs Gracie Mansie en route Longacre Theater.

(Driving Time: 10 minutes)

7:55 p.m.

Motorcade arrives Longacre Theater.

PRESS POOL COVERAGE
CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Emanuel Azenburg, Producer of
"Ain't Misbehavin"
Robert Frissell, Manager, Longacre
Theater
Gerald Schoenfeld, Chairman, Shubert
Foundation

You and Mrs. Carter proceed inside
Longacre Theater and take your seats.

8:05 p.m. "Ain't Misbehavin" begins.

NOTE: At approximately 9:00 p.m.,
there will be a short intermission.

10:00 p.m. "Ain't Misbehavin" concludes.

You and Mrs. Carter proceed to motorcade
for boarding. Governor Carey and Mayor
Koch will accompany you.

10:05 p.m.

Motorcade departs Longacre Theater
en route United States Steak House, I
Restaurant.

10:07 p.m.

Motorcade arrives United States Steak
House, Inc. Restaurant.

You and Mrs. Carter will be met by:

Peter Ashkenasy, Owner

Motorcade departs restaurant en route
Gracie Mansion.

(Driving Time: 10 minutes)

OVERNIGHT.

THE WHITE HOUSE

WASHINGTON

SUMMARY SCHEDULE
FOR
VISIT TO NEW YORK CITY

AUGUST 8 - 9, 1978

From: Fran Voorde

SUMMARY SCHEDULE FOR WEDNESDAY - AUGUST 9, 1978

7:35 a.m. Depart suite at Gracie Mansion, board motorcade en route Marine Air Terminal. Board helicopter on arrival.

8:00 a.m. Helicopter departs Marine Air Terminal en route JFK International Airport.

8:15 a.m. Helicopter arrives JFK International Airport. Board Air Force One.

8:20 a.m. Air Force One departs JFK International Airport en route Andrews AFB. (Flying Time: 50 minutes)

9:10 a.m. Air Force One arrives Andrews AFB.

9:30 a.m. Helicopter arrives South Lawn.

THE WHITE HOUSE

WASHINGTON

VISIT TO
NEW YORK CITY

WEDNESDAY - AUGUST 9, 1978
DAY # 2

SEQUENCE:

7:35 a.m.

You and Mrs. Carter proceed to motorcade for boarding. Governor Carey and Mayor Koch will ride with you.

7:40 a.m.

Motorcade departs Gracie Mansion en route Marine Air Terminal.

Motorcade arrives Marine Air Terminal.

OPEN PRESS COVERAGE
CLOSED ARRIVAL

You and Mrs. Carter board helicopter.

8:00 a.m.

Helicopter departs Marine Air Terminal en route JFK International Airport.

(Flying Time: 15 minutes)

PRESIDENTIAL GUESTS

Governor Carey
Mayor Koch

8:15 a.m.

Helicopter arrives JFK International Airport.

OPEN PRESS COVERAGE
CLOSED ARRIVAL

You and Mrs. Carter bid farewell to Governor Carey and Mayor Koch and board Air Force One.

WEDNESDAY - AUGUST 9, 1978 - Continued

8:20 a.m.

Air Force One departs JFK International
Airport en route Andrews AFB.

(Flying Time: 50 minutes)

9:10 a.m.


Air Force One arrives Andrews AFB.

You and Mrs. Carter board helicopter.

9:30 a.m.

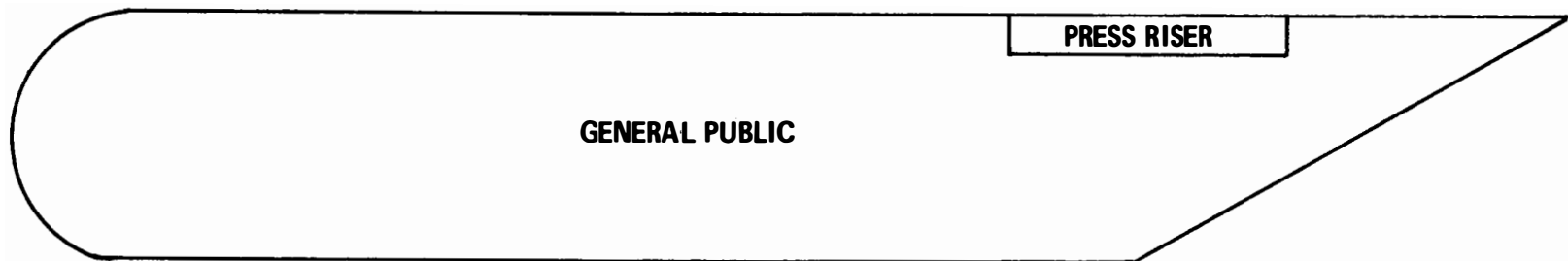
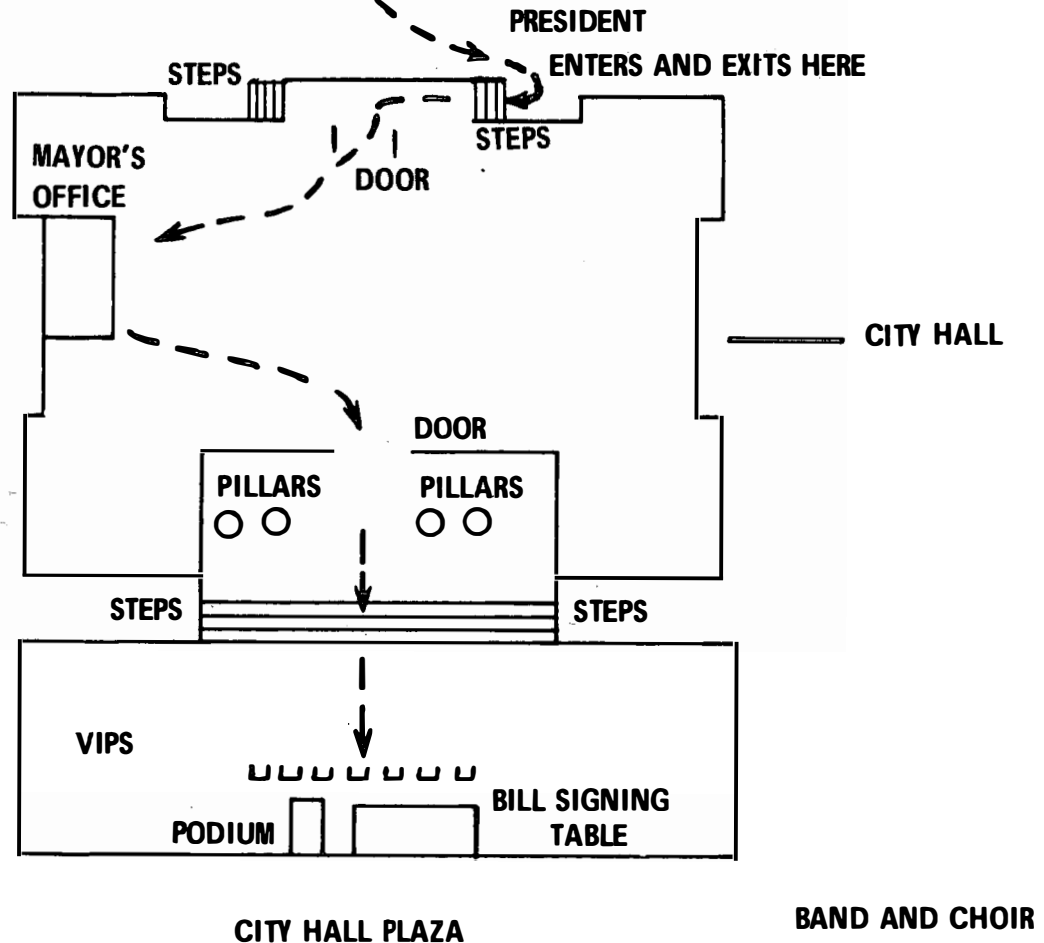
Helicopter arrives South Lawn.

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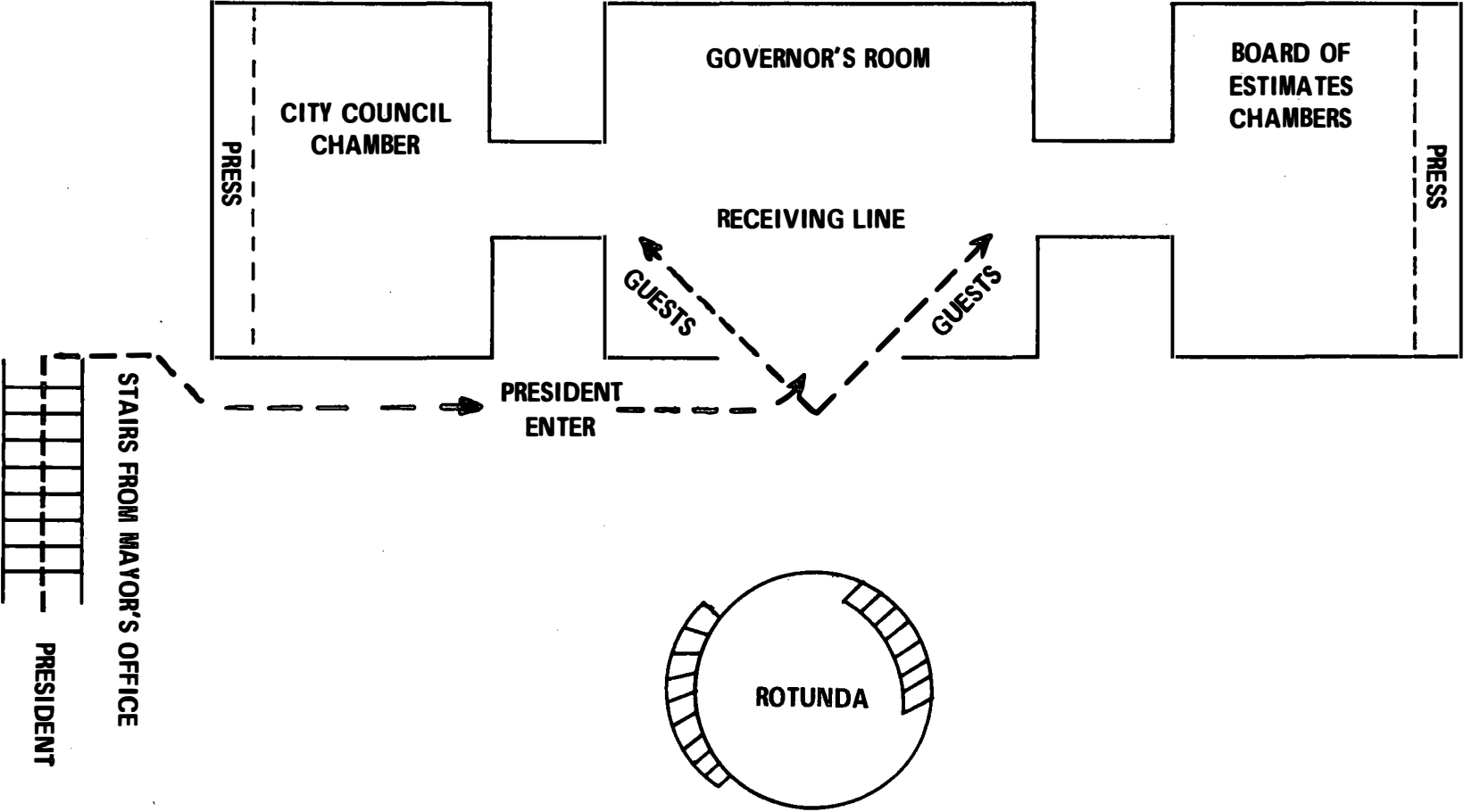
MOTORCADE 



CITY HALL BILL SIGNING CEREMONY

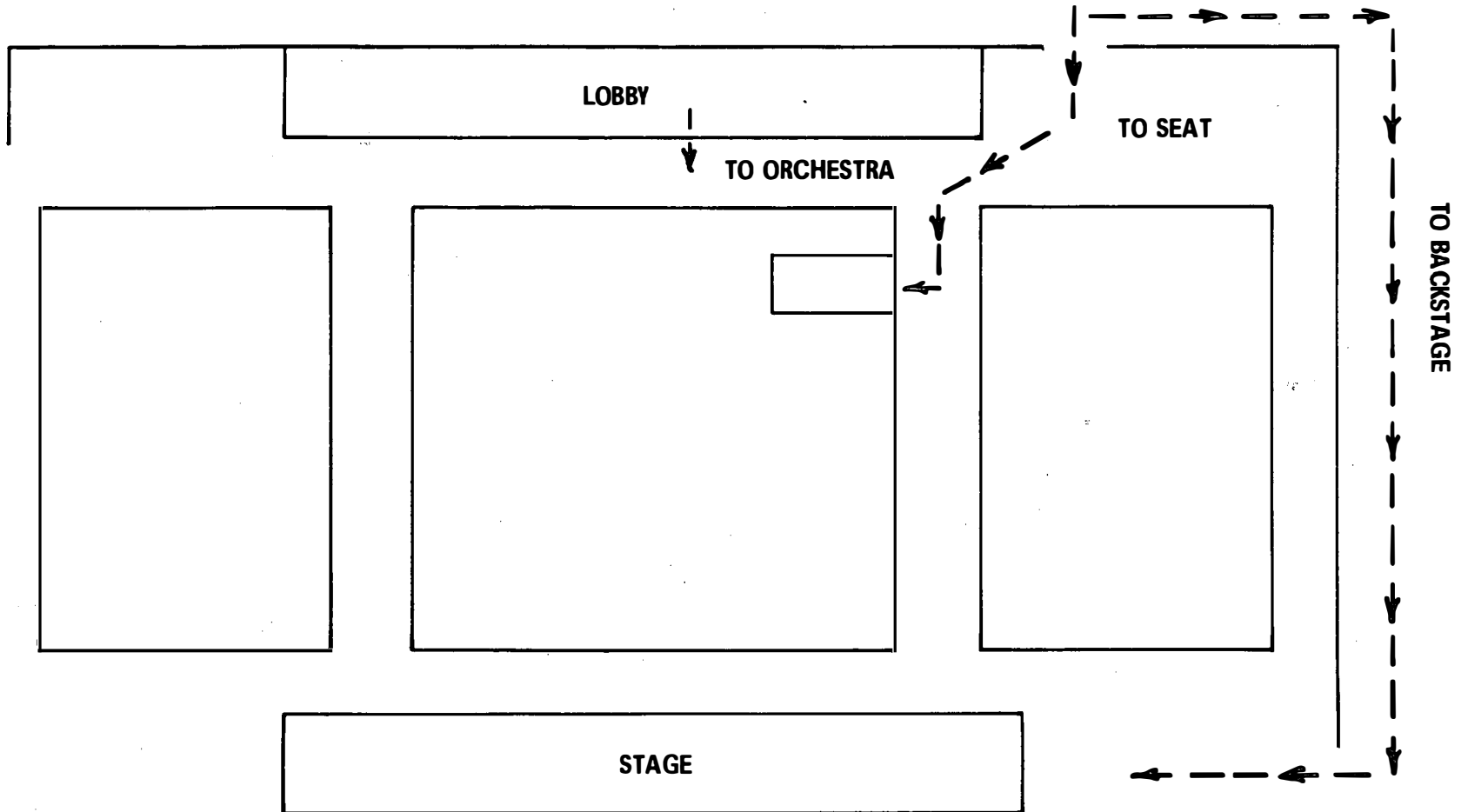


CITY HALL 2ND FLOOR -- RECEPTION

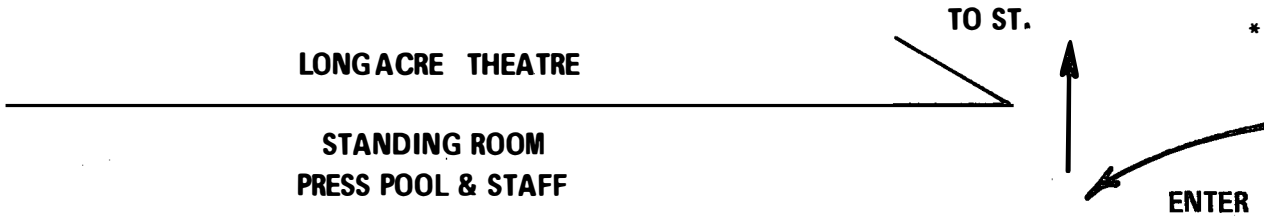


LONGACRE THEATER

W. 48TH ST.



SEATING

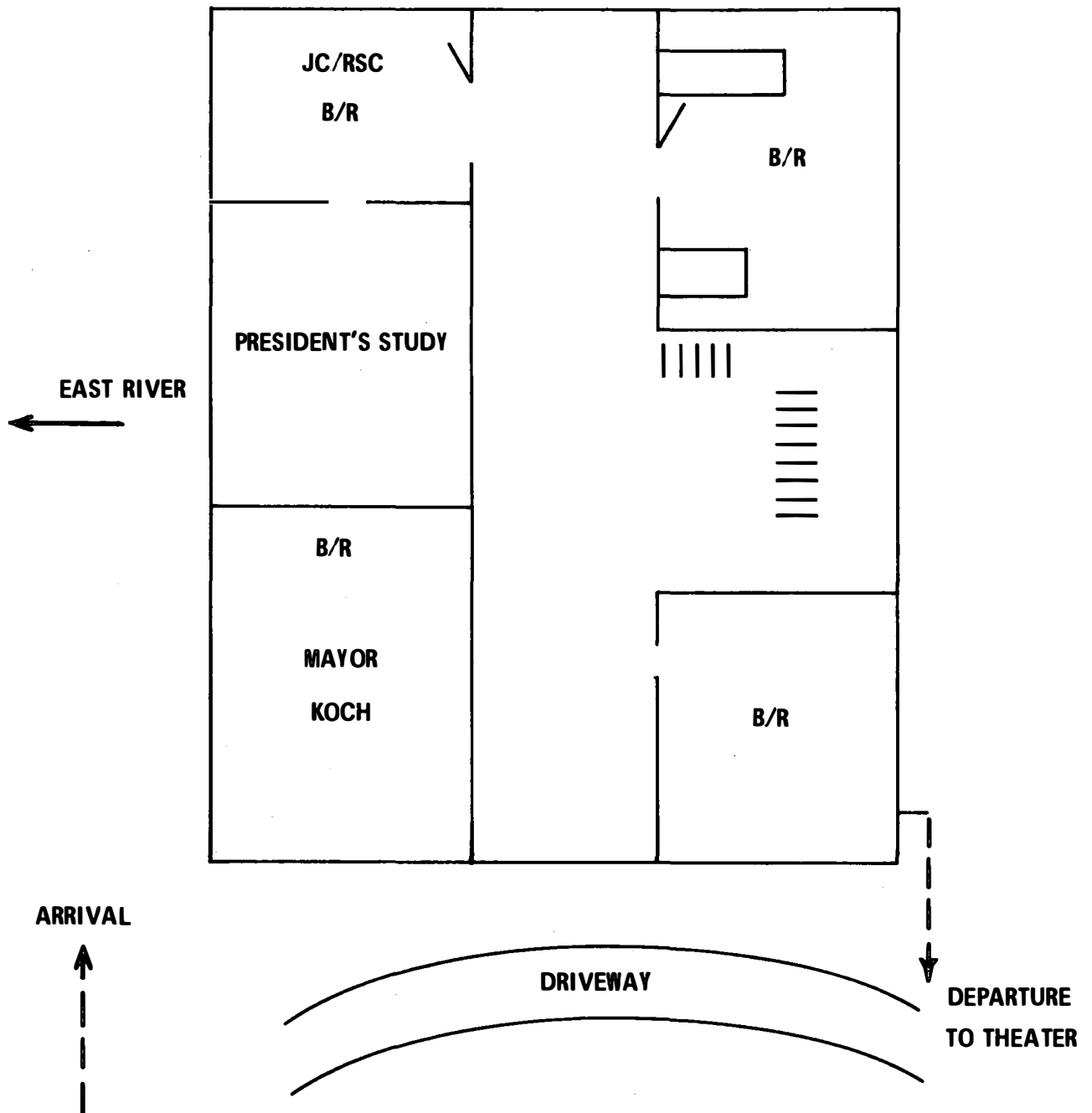


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STAFF	STAFF	USSS	USSS			O
G 109	G 110	MRS. CARTER 111	THE PRESIDENT 112	G 113	G 114	N
		USSS	USSS			M

STAGE

G - GUEST
* WH DROP

**GRACIE MANSION
2ND FLOOR**



ISSUES

POLITICAL BACKGROUND

Although all New York State officials face elections this fall, the dominant issue is the gubernatorial race. Governor Carey had been expected to face only nominal opposition until 48 hours before the Democratic convention, when Lieutenant Governor Mary Ann Krupsak, who was scheduled to be renominated, suddenly withdrew and subsequently announced her own candidacy for Governor. Although Carey and Krupsak had never been close, her unexpected decision to oppose him reflected an emotional reaction to what she perceived to be a Carey snub on a minor matter.

Carey and Krupsak are joined in the September 12 primary by a State Senator from Brooklyn, Jeremiah Bloom, who is not a major factor. The consensus is that Carey is trailing Krupsak by 5-10 points, but that he has gained ground since he began to campaign actively a month ago. Since Krupsak has minimal organization, financial and editorial support, her strength in the polls is more a reflection of Carey's political weaknesses than her assets. To a degree, the Governor's unpopularity reflects his unpopular positions on key emotional issues: his opposition to capital punishment, and his support for abortions and the controversial Westway Highway in Manhattan. The Governor's fundamental problem, however, is widespread public distrust of him personally. There is a sense that he is manipulative, that he is inaccessible both to the public and party officials, and that he is more committed to the Manhattan social life than to the affairs of the State. In fact, close observers of the Governor almost uniformly agree that he has frequently been indifferent to political niceties, but that he has functioned magnificently in critical situations, such as the City's fiscal crisis. Consequently, the Governor has virtually universal support from leaders in the press, business and labor, who are impressed by Carey's performance under pressure and who tend to regard Krupsak as erratic and unsophisticated on key policy issues. The Governor is attempting to capitalize on public unawareness of his handling of the fiscal crisis, his fiscal conservatism and the improvement in the State's economy through his slogan, "The more you know the facts...the more you know Hugh Carey's right for Governor." In view of Carey's campaign momentum, and his organizational, financial and editorial advantages, the race is expected to be close.

The Democratic nominee will face Assembly Speaker Perry Duryea (Rep.-Conservative). Carey would be favored over Duryea, in part because of the momentum generated by a victory over Krupsak, and in part because of Duryea's stiff manner as a candidate. Krupsak,

on the other hand, would probably lose to Duryea, partially because he captures her upstate base, but primarily because Carey would also appear on the November ballot as the Liberal candidate and probably take enough votes to elect Duryea. Because we regard the retention of a Democrat in Albany as vital in terms of 1980, we are working quietly but actively on the Governor's behalf. As a reflection of your personal commitment and interest, you might note to the Governor that you know your staff is working closely with him on three priority issues: Co-op City, Mitchell-Lama housing, and Buffalo.

Mayor Koch does not face re-election until 1981, and it is important to strengthen the Administration's relationship with him, although he has not been as loyal to us over the past year as has Governor Carey. Koch is quite popular publicly at this point, although the Establishment in New York generally regards his performance as very erratic. You should be familiar with the Mayor's two highest priorities: (1) economic development to strengthen the City's fiscal base and (2) civil service reform, which he has not yet announced but which he will seek next year.

You might also note that your Administration has helped New York enormously, both through the loan guarantee bill and by increasing fiscal aid by over 30%, and the Governor and particularly the Mayor could help us promote public awareness of this record.

SENATOR JACOB K. JAVITS (R-N.Y.)

Biography: 4th term (1980); born May 18, 1904 in New York City; Jewish; married (Marion); three children; LL.B., New York University, 1926; U.S. Army, WW II; practicing attorney, 1927-72; U.S. House of Representatives, 1947-55; attorney general of New York, 1955-57; U.S. Senate, 1957-.

Committees: Foreign Relations (2)

Subcommittees: Foreign Economic Policy (RMM)
Western Hemisphere Affairs (RMM)
Foreign Assistance

Governmental Affairs (2)

Subcommittees: Permanent Subcommittee on Investigations
Federal Spending Practices and Open Government
Energy, Nuclear Proliferation, and Federal Services (RMM)

Human Resources (RMM)

Subcommittees: Labor (RMM)
Employment, Arts, and Humanities (RMM)
Health and Scientific Research

Joint Economic Committee (RMM)

Subcommittees: Economic Growth and Stabilization (RMM)
International Economics

Administration Support: 81.3%

Senator Javits is the ranking minority member on the Senate Human Resources Committee where he exercises disproportionate influence for a Republican. He has been a strong supporter for virtually all of our legislation which has come within the jurisdiction of the Human Resources Committee. As the second ranking Republican (behind Chuck Percy) on the Governmental Affairs Committee, he has been generally supportive of our reorganization efforts. Of particular note is his action on civil service reform where he has joined with Senator Ribicoff in giving us trouble on the EEOC provisions, but has joined with Percy and Eagleton in our efforts to modify veterans' preference.

There is a good chance that Senator Javits will assume the position of ranking minority member on the Senator Foreign Relations Committee next year when Senator Case retires. He has always been an unabashed liberal in foreign policy, but he

has always been a proponent of congressional activism in the field. For example, he is largely responsible for the War Powers Act. If he becomes the ranking Republican on Foreign Relations, he and the new chairman, Frank Church, will change the complexion and style of that panel. Such a development could be both a blessing and a curse.

You will probably want to acknowledge and thank the Senator for his work on the civil service reform bill, particularly the veterans' preference issue; we do not suggest that you discuss with him the EEOC question. We need his votes on both cloture and final passage of the natural gas conference report. You should also thank Senator Javits for his leadership on the Rhodesia "compromise" which was adopted in lieu of the Helms amendment last week. (Senator Javits, Senator Case, and Senator Moynihan co-sponsored the Rhodesian substitute which we tacitly supported.)

Senator Javits has voted with us on the Panama Canal Treaties and against us on the Middle-East arms sales and the Turkey arms embargo.

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Breifing Book	Portion of Breifing Book dealing w/Sen. Moynihan 2 pp., personal matter	8/8/78	C

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential Handwriting File, Pres. Trip to NYC-8/8/78-8/9/78 [1] Box 99

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THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. LESTER WOLFF
(D-New York-6)

Committees: # 9 International Relations
Subcommittees: Asian & Pacific Affairs (Chairman)
International Operations

8 Veterans' Affairs
Subcommittees: Education & Training
Medical Facilities & Benefits

1 Select Committee on Narcotics Abuse & Control

Administration Support: 87.2%

Favorable Votes

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus Final Passage
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
Water Projects -- Budget Resolution
Housing & Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte Amendment
Strip Mining -- Conference Report
National Energy Act -- Final Passage
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Passage
Social Security -- Final Passage
Consumer Protection -- Final Passage
D.C. Voting Rights -- Final Passage

Unfavorable Votes

International Financial Institutions -- Final Passage
Bar Concorde Landing in New York
Veterans Benefits -- Upgraded Discharge -- Beard Amendment
International Lending Institutions -- Instruct Conferees
Social Security -- Instruct Conferees

Wolff
page 2

Personal Background: Rep. Wolff of Great Neck, was educated at New York University. After working with several marketing associations, he served as television moderator and producer of "Between the Lines," and member of the U.S. Trade Mission to the Philippines in 1962 and to Malaysia and Hong Kong in 1963. He was elected to the U.S. House of Representatives in 1964. His wife's name is Blanche; they have two children -- Bruce and Diane. Rep. Wolff is 59 years old.

Wolff's major concern is the Select Committee on Narcotics. In Wolff's opinion, his most important task is to do something effectively about the drug problem in this country and the world.

Wolff appears to have no difficulty with his re-election.

District Information: The sixth district consists of equal parts of the North Shore of Long Island in Nassau County and part of the Borough of Queens. The North Shore has been the home of many of the rich and famous for many years. Along with the WASPy estates, there is a large portion of wealthy, predominantly Jewish suburbs. Nassau County traditionally votes Democratic.

While the Nassau County portion of the district has liberal leanings, the Queens portion was drawn specifically to defeat Rep. Wolff and re-elect Republican Rep. Seymour Halpern. However, Wolff managed to win the election by carrying Nassau County by such a large margin. He has won with comfortable margins in subsequent elections.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. JOE ADDABBO
(D-NY-7)

Committees: #13 Appropriations

Subcommittees: Defense
Transportation
Treasury/Postal Service/
General Government

5 Small Business

Subcommittee: Minority Enterprise & General
Oversight (Chairman)

Administration Support: 91.1%

Favorable Votes:

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Economic Stimulus Final Passage
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
International Financial Institutions -- Final Passage
Housing & Community Development Block Grant Funds
Water Projects -- Derrick/Conte Amendment
Strip Mining -- Conference Report
National Energy Act -- Final Passage
B-1 Bomber -- Addabbo Amendment -- September 8, 1977
Labor Law Revision -- Final Passage
Minimum Wage -- Conference Report
Social Security -- Final Passage
Social Security Conference Report
Consumer Protection -- Final Passage
D.C. Voting Rights

Unfavorable Votes

Water Projects -- Budget Resolution
Department of Energy Act -- National Energy Board
Bar Concorde Landing in New York
Clinch River Breeder Reactor -- Brown Amendment

Addabbo
page 2

Personal Information: Rep. Addabbo of Ozone Park, attended City College for two years and graduated with an LL.B. from St. John's College. Prior to his election to the U.S. House of Representatives in 1960, he practiced law. His wife's name is Grace; they have three children -- Dominic, Dina, and Joseph. He is 53 years old.

Addabbo has had only minor party opposition in recent years. He is not expected to have any problems with re-election.

Currently Addabbo feels neglected by the Administration. He managed several of our fights on the B-1 Bomber and is likely to be the next Chairman of the Appropriations Subcommittee on Defense. He is having major problems with the Small Business Administration.

District Background: The seventh district in southern Queens is composed of a series of middle class neighborhoods of varying ethnic composition. Although 37% of the district's residents are black, which makes them the largest ethnic group, Italian Americans are not far behind in percentage.

The district is heavily Democratic, largely because of the solidly Democratic allegiances of its black voters. The residents, however, are conservative on many issues, especially those relating to higher taxes and the rising cost of living.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. BENJAMIN ROSENTHAL
(D-New York-8)

Committees: # 6 Government Operations
 Subcommittees: Commerce, Consumer & Monetary
 Affairs (Chairman)
 Legislation & National Security
 # 7 International Relations
 Subcommittees: Europe & the Middle East
 International Organizations

Administration Support: 95.7%

Favorable Votes

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus Final Passage
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
International Financial Institutions -- Final Passage
Housing & Community Development -- Block Grant Funds
Department of Energy Organization Act -- National Energy Board
Water Projects -- Derrick/Conte Amendment
Strip Mining -- Conference Report
National Energy Act -- Final Passage
Clinch River Breeder Reactor -- Brown Amendment
Labor Law Revision -- Final Passage
Minimum Wage -- Conference Report
Social Security -- Final Passage
Consumer Protection -- Final Passage
D.C. Voting Rights -- Final Passage

Unfavorable Votes

Water Projects -- Budget Resolution
Bar Concorde Landing in New York

Rosenthal
page 2

Personal Background: Rep. Rosenthal of Elmhurst, attended Long Island University and City College; he received an LL.B. from Brooklyn Law School in 1949 and an LL.M. from New York University in 1952. After serving in the Army, he was admitted to the New York Bar and admitted to practice before the United States Supreme Court. He was elected to the U.S. House of Representatives in a special election in February 1962. His wife's name is Lila; they have two children -- Debra and Edward. He is 55 years old.

Rosenthal is not expected to have any problems with re-election.

District Information: The eighth district encompasses the central part of Queens. The district's boundaries are drawn to keep as many conservative and Republican voters as possible within the adjacent sixth and ninth districts; thus the Republican redistricters conceded the district to the Democrats. Part of the district includes the middle class, predominantly Jewish neighborhoods of Flushing, another includes the high rise complex of Lefrak City, a small black ghetto, and Jackson Heights, the two and four family house neighborhood of lower middle income whites.

The district is traditionally Democratic. Prior to Watergate, many of the residents harbored an intense hatred for John Lindsay and George McGovern and their liberal stance on issues. In 1972 McGovern received 50% of the vote, President Carter in 1976, however, received 67%.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. JAMES J. DELANEY
(D-NY-9)

Committee: Rules (Chairman)

Administration Support: 86.7 %

Favorable Votes:

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
Housing & Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte
Strip Mining -- Conference Report
National Energy Act -- Final Passage
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Passage
Social Security -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
Consumer Protection -- Final Passage
D. C. Voting Rights -- Final Passage

Unfavorable Votes:

Turkish Embargo/ Wright Amendment
Water Projects -- Budget Resolution
Bar Concorde Landing in New York
International Financial Institutions -- Final Passage

Personal Information: Rep. Delaney of Long Island City, New York, was educated at St. John's University. He served as assistant district attorney for 9 years in Queens County, and was first elected to Congress in November, 1944. In the Republican sweep of 1946, Delaney was defeated, but returned to the House of Representatives in 1948. He is the Dean of the New York Delegation. Delaney is a widower with one son, Patrick. He is retiring from Congress this year.

Delaney
page 2

At this point there are several contenders for the Democratic nomination for his seat. We are watching this seat closely because of it's conservative bent. We could lose it.

District Background: The ninth district comprises the area in which "Archie Bunker" would live. It is strictly white collar, middle income homeowners, with virtually no blacks or Puerto Ricans. The voting tradition can be termed politically fickle in its liberal/conservative shifts. Geographically, it is the Queens district closest to Manhattan's chic and the liberal Upper East Side.

Points of Interest: Rep. Delaney should be singled out since he is Dean of the New York Delegation.

As Chairman of the powerful Rules Committee, he has a lot to say about granting rules to administration bills. We need to have several rules granted including 1) civil service reform, 2) the tax bill and, 3) airline deregulation.

THE WHITE HOUSE

WASHINGTON

Rep. MARIO BIAGGI
(D-10-N.Y.)

Committees: #10--Education and Labor
 Subcommittees--Labor Standards
 Postsecondary Education
 Select Education

 #7--Merchant Marine and Fisheries
 Subcommittees--CHAIRMAN-Coast Guard and
 Navigation
 Fisheries and Wildlife Conser-
 vation and the Environment
 Merchant Marine
 Ad Hoc Select Subcommittee on
 Maritime Education and Training

Administration Support: 76.7%

Personal Background: Rep. Biaggi was born and raised in New York City. He graduated from the New York Law School in 1963 and was soon after admitted to the New York State bar. He served as a member of the New York City Police Department from 1942-65. During that time Rep. Biaggi earned the police department's Medal of Honor plus 27 other decorations, including 10 for being wounded in the line of duty. In 1967, Rep. Biaggi was elected president of the National Police Officers Association of America. His other civic activities include membership to the Congressional Advisory Board of the Full Employment Council, the National Association for Justice Advisory Board and a lifetime member of the NAACP. Rep. Biaggi and his wife, Marie, have four children. The Congressman is 60 years old.

District/Campaign Background: Rep. Biaggi was first elected to the tenth district in 1968. In early 1973 he began to campaign for election as Mayor of New York City against Mayor Lindsay and it seemed as if he was the man most likely to win. A great deal of hostility against Mayor Lindsay had arisen from citizen concern over a deterioration of city services, particularly with regard to the rising crime rate. As a former policeman, and the most decorated member of the New York police force, Rep. Biaggi appeared to be the right man in the right place at the right time. He had been elected congressman three times with the endorsement of both the Democratic and the Conservative Parties. In mid-1973; however, the papers broke a story that Rep. Biaggi had lied when he said he had not taken the Fifth Amendment before a grand jury investigation.

Rep. Biaggi sued to get some, but not all, of the grand jury records made public, but the judge revealed them all--and they showed that Rep. Biaggi had been lying. In the Democratic primary he won only 21%, finishing third in a field of four. As a result, his victory in the 1974 congressional election was by only 54%. He was reelected in the 1976 general election by 95% and is expected to win by as much again this time around.

Points of Interest:

--Unlike before, Rep. Biaggi is extremely pleased with us with regard to this bill signing ceremony. He announced the ceremony would take place in New York City.

THE WHITE HOUSE

WASHINGTON

Rep. JAMES H. SCHEUER
(D-11-N.Y.)

Committees: #13--Interstate and Foreign Commerce
 Subcommittees--Consumer Protection and Finance
 Health and the Environment
 Oversight and Investigations

 #9--Science and Technology
 Subcommittees--CHAIRMAN-Domestic and Interna-
 tional Scientific Planning,
 Analysis and Cooperation
 The Environment and the Atmosphere
 Fossil and Nuclear Energy R&D

Administration Support: 89.1%

Personal Background: Rep. Scheuer was born and raised in New York City. He attended Swarthmore College in 1945, graduated from Columbia Law School, and received a degree in industrial administration from Harvard Graduate School of Business Administration. He served in the U.S. Army from 1943-45 as a flight instructor. Rep. Scheuer has served as a member of the legal staff for the Office of Price Stabilization, as president of the Citizens Housing and Planning Council of New York City, a member of the Bar Association of the City of New York, as director of the Bronx Boys Club, and as a delegate to four United Nations conferences on housing and urban problems and human rights. Rep. Scheuer is well known as a developer of residential communities in eight cities under the Federal Urban Renewal program. Rep. Scheuer and his wife Emily have four children. The congressman is 58 years old.

District Background: Rep. Scheuer's 11th congressional district is the southeastern corner of Brooklyn, the extreme southern and southeastern edges of Queens, and the Rockaway Peninsula. The district circles Kennedy Airport like a donut. Prior to 1974, when Jim Scheuer was elected to Congress, the seat had been held by Frank Brasco. The congressman was convicted in 1974 of taking bribes and was sentenced to jail. Jim Scheuer, who had been a congressman representing the faraway Bronx area (from 1965-73) and who was defeated in his primary in 1972, had moved to become a Rockaway resident and was elected in the 1974 elections. Like many of his

constituents, he supported Henry Jackson in the 1976 primaries. His major activity has been trying to prevent the Concorde from landing at Kennedy.

Points of Interest

**Rep. Scheuer's brother, Steve, had been considered for appointment to the Board of Directors for the Corporation for Public Broadcasting; however, he was not among the list approved by you. He has requested an opportunity to discuss this appointment with you and we have submitted a scheduling request in that regard.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. SHIRLEY CHISHOLM
(D-NY-12)

Committees: # 10 Rules (Whip)

Administration Support: 88.4 %

Favorable Votes:

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Ban on Rhodesian Chrome
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
International Financial Institutions -- Final Passage
Housing & Community Development -- Block Grant Funds
National Energy Act -- Final Passage
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Passage
Minimum Wage -- Conference Report
Social Security -- Final Passage
Social Security -- Conference Report
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage

Unfavorable Votes:

Turkish Embargo -- Wright Amendment
Department of Energy Organization Act -- National Energy Board
Bar Concorde Landing in New York
Water Projects -- Derrick/Conte

Personal Information: Shirley Chisholm was born in Brooklyn and received her B. A. Degree from Brooklyn College. She then received her M. A. from Columbia University. Chisholm was a

Chisolm
page 2

nursery school teacher and served as Director of the Hamilton Madison Child Care Center from 1954 - 59. After serving as Educational Consultant for the New York City Division of Day Care, she was elected to the New York State Assembly in 1964. She is 54 years old and has recently married for the second time.

In 1968, Rep. Chisolm defeated the former CORE Director, James Farmer, to win election to the U. S. House of Representatives. She possesses one of the celebrity images in the Congress, and always seems to rebel against the male-oriented political system. Chisolm was, in 1972, the first black woman to run as a presidential candidate, although she was unable to win as much as 10% of the vote in any state.

Congresswoman Chisolm is generally supportive of the administration but is always very independent in her thinking and voting.

District Background: When Chisolm was first elected in 1968, her district included all of the Bedford-Stuyvesant section of Brooklyn; its lines drawn specifically to elect Brooklyn's first black Member of Congress. However, in 1974, an ill-advised lawsuit forced the readjustment of the lines, and she now represents the 12th district which includes the eastern half of Bedford-Stuyvesant. This district also encompasses the huge Brooklyn ghetto, Bushwick (an Italian neighborhood), and Williamsburgh. Chisolm was challenged in 1976 and was hard pressed to win. Her opponent, Samuel Wright, has since been indicted, but it's still possible for her to face difficulties ahead.

Points of Interest: She does not support Civil Service Reform legislation.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. STEPHEN SOLARZ
(D-NY-13)

Committees: #15 International Relations
 Subcommittees: Africa
 Europe and the Middle
 East

 #12 Post Office and Civil Service
 Subcommittees: Census and Population
 Postal Operations and
 Services

Administration Support: 95.7%

Favorable Votes:

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
International Financial Institutions -- Final Passage
Strip Mining -- Conference
National Energy Act -- Final Passage
Minimum Wage -- Indexing
Minimum Wage -- Youth Differential
Labor Law Revision -- Final Passage
Social Security -- Final Passage
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage
Turkish Embargo/ Wright Amendment

Unfavorable Votes:

Department of Energy Organization Act -- National Energy Board
Bar Concorde Landing in New York

Personal Information: Rep. Solarz was born in New York City
in 1940 and graduated from Brandeis University. He received
his Masters Degree from Columbia University, and was then elected
to the New York State Assembly for three terms. At the age of

Solarz
page 2

36, he was elected to the U. S. House of Representatives. He won 87% of the vote in 1976 when running for his second term. He is married to the former Nina Koldin and they have two children -- Randy and Lisa. Mrs. Solarz is a lobbyist for the City of New York.

District Background: The 13th district is situated in south central Brooklyn, along the Ocean Parkway, from Prospect Park to Coney Island. There is a large Italian-American community (16%) and the district is probably the most heavily Jewish one in the country. 64% of the district is white collar, 28% blue collar; 61% of the district is of foreign stock, and only 2% of that is black.

Points of Interest: Stephen Solarz has always helped us with foreign aid legislation. He led the floor fight for the Wright Amendment.

He is one of the brightest, most intellectual members of the House.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. FREDERICK W. RICHMOND
(D-NY-14)

Committees: # 11 Agriculture
 Subcommittees: Conservation and Credit
 Domestic Marketing, Con-
 sumer Relations, and
 Nutrition (Chairman)
 Family Farms, Rural Develop-
 ment, and Special Studies

 # 13 Small Business
 Subcommittees: Capital, Investment and
 Business Opportunities
 Minority Enterprise and
 General Oversight

Administration Support: 97.6 %

Favorable Votes:

Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
International Financial Institutions -- Final Passage
Housing & Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte
National Energy Act -- Final Passage
Strip Mining -- Conference Report
Clinch River Breeder -- Brown Amendment
Social Security -- Final Passage
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage

Unfavorable Votes:

Turkish Embargo/ Wright Amendment
Bar Concorde Landing in New York

Richmond
page 2

Personal Information: Freddie Richmond attended Harvard University, Boston University and Pratt Institute. He served in the Pacific Theatre Operation during World War II. Richmond was President of the Greater New York Urban League for ten years; and, was Chairman of the Board of the Carnegie Hall Corporation. He has served as New York City Human Rights Commissioner, City Taxi and Limousine Commissioner, and was elected to the New York City Council in 1973. Congressman Richmond was elected to his first term in Congress in 1974, and enjoys the status of being a millionaire. He is 55 years old , and has one son -- William.

Rep. Richmond is one of the few big city liberals serving on the Agriculture Committee. He is one of the administration's top supporters.

District Background: The 14th congressional district is an ethnic mixture of Italians, Jews, and middle class Blacks (46%). The voting blocs which really matter are the Italians in Red Hook and South Brooklyn, and the large black vote.

Points of Interest: Rep. Richmond has requested Mrs. Carter to present the Medal of Freedom Award to singer, Marion Anderson. He wants it presented before the September 12th Democratic Primary in New York, since he expects a difficult race due to his recent legal problems.

THE WHITE HOUSE

WASHINGTON

Rep. LEO ZEFERETTI
(D-15-N.Y.)

Committees: #16--Education and Labor
 Subcommittees--Compensation, Health, and
 Safety
 Elementary, Secondary and
 Vocational Education
 Labor Standards

 #23--Merchant Marine and Fisheries
 Subcommittees--Merchant Marine
 Oceanography
 Panama Canal
 Ad Hoc Select Subcommittee on
 Maritime Education and
 Training

Administration Support: 80%

? Personal Background: Rep. Zeferetti was born and raised in Brooklyn. He attended New York University and served in the U.S. Navy from 1944-46. While in the Navy, Rep. Zeferetti was decorated with the American Theatre, European Theatre, and Victory Medals. Prior to his election to the House, Rep. Zeferetti was a member of the New York City Department of Corrections and was president of the Correction Officers Benevolent Association. He was appointed to the New York State Crime Control Planning Board and was a representative to the Conference for a National Correction Academy. Congressman Zeferetti and his wife Barbara have two daughters. The congressman is 51.

District Background: The 15th congressional district of New York, Brooklyn, was-from 1960 to 1974-represented by Hugh Carey. In 1974, Rep. Carey decided to run for Governor-and won. The machine choice to fill Carey's congressional seat vacancy was Leo Zeferetti. His background as a well known policeman helped him become an unbeatable candidate; his margins of victory have been higher than Carey's. He is not expected to have any significant difficulty in this year's race.

Points of Interest

**Rep. Zeferetti is actively urging a meeting between you and members of the New York State Congressional Delegation and the Governor to discuss the stationing of the 2nd Infantry Division from Korea at Fort Drum, New York. (A scheduling proposal has been submitted.) The members of the Delegation believe that the stationing of the 2nd Infantry Division at Fort Drum would redress what they believe is the Federal Government's deficient military spending and enhance the economic situation faced by the area.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. ELIZABETH HOLTZMAN
(D-NY-16)

Committees: # 8 Budget

13 Judiciary

Subcommittees: Crime
Criminal Justice
Immigration, Citizenship
and International Law

Administration Support: 89.4 %

Favorable Votes:

Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Ban on Rhodesian Chrome
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
International Financial Institutions -- Final Passage
Housing & Community Development -- Block Grant Funds
Clean Air Act -- Preyer Substitute
Water Projects -- Derrick/Conte
National Energy Act -- Final Passage
Minimum Wage -- Indexing
Minimum Wage -- Youth Differential
Clinch River Breeder -- Brown Admendment
Labor Law Revision -- Final Passage
Social Security -- Final Passage
Social Security -- Conference Report
Consumer Protectin -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage

Unfavorable Votes:

Turkish Embargo -- Wright Amendment
Emergency Natural Gas -- Conference Report
Executive Reorganization Authorization -- Walker Substitute
Bar Concorde Landing in New York
Social Security -- Rules Conference Report

Holtzman
page 2

Personal Information: Elizabeth Holtzman of Brooklyn, attended Radcliffe College and then received her law degree from Harvard. She practiced law in Brooklyn, and was elected a Democratic State Committeewoman. After working as assistant to Mayor Lindsey, she was elected to be a Democrat District Leader in 1970. With a very low campaign budget and an intense political motivation, she successfully unseated the 88 year old Emanuel Celler in 1972 for this congressional seat. She is single and 36 years old.

District Background: Since 1922, the 16th congressional district has been Democratic with Emanuel Celler as its representative. Flatbush/Brooklyn is primarily Jewish, although more blacks have been moving in. White collar workers comprise 46% of the population and the median family income averages \$10,000 per year.

Points of Interest: Rep. Holtzman is one of the leading supporters of ERA and will lead the floor fight with Don Edwards.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. JOHN M. MURPHY
(D-N.Y. 17)

Committees: Chairman - Merchant Marine and Fisheries
Subcommittees--Merchant Marine (Chairman)

#7 Interstate and Foreign Commerce
Subcommittees--Communications
Energy and Power
Transportation and Commerce

Chairman - Outer Continental Shelf (Ad Hoc Select)

Percentage of Support: 81.6%

Favorable Votes

Economic Stimulus-Final Passage
International Financial Institutions-Final Passage
National Energy Act-Final Passage
Labor Law Revision-Final Passage
Minimum Wage-Conference Report
Social Security-Final Passage
Social Security-Conference Report
Consumer Protection-Final Passage
B-1 Bomber-Mahon Amendment-Feb. 1978
D.C. Voting Rights-Final Passage
Housing and Community Development-Block Grant Funds

Unfavorable Votes

Nuclear Aircraft Carrier
Water Projects-Budget Resolution
Water Projects-Derrick/Conte Amendment
Clinch River Breeder Reactor-Brown Amendment

Personal Background: Rep. John Murphy, of Staten Island, attended Amherst College and received his B.S. in civil engineering from the U.S. Military Academy in 1950. He enlisted in the Army in 1944 and received numerous service-related awards. He was elected as a delegate to the Democratic National Convention in 1964 and elected as a delegate and parliamentarian to the 1968 Democratic National Convention. He has served as secretary of the Franklin Delano Roosevelt Commission; member of the board of trustees, Association of Graduates, U.S. Military Academy; member of the Board of Visitors, U.S. Military, U.S. Merchant Marine, and U.S. Coast Guard Academies; and member of the American Legion, VFW, and many community, political, and service organizations. He has served as General Manager and President of the Cleveland General Transportation Company and on the Board of Directors of the Empire State Highway Transportation Association (1960-65). He is married to the former Kathleen Johnson, and they have six children: Dierdre, John, Eve, Mark, Emily, and Elizabeth. He was 52 years old on August 3.

John Murphy was elected to the U.S. House of Representatives in 1962. He was appointed Ambassador Extraordinary and Plenipotentiary to the inauguration of President Anastasio Somoza of Nicaragua by President Ford. He is a very strong supporter of Somoza and has been very difficult to deal with on the Panama Canal. His Committee will have most of the implementing legislation next year, and we expect many problems. Anything which could be done on this trip to soften him on this would be beneficial.

District Information: New York City ~~City~~ Hall is located in Rep. Murphy's district. The 17th Congressional District represents Staten Island and a portion of Manhattan. Staten Island is the smallest and least densely populated of the five boroughs of New York City. It is also the most parochial and atypical part of New York. Politically, Staten Islanders are intensely conservative. Their most interesting political figure has been state Senator John Marchi, an austere conservative, who twice has been the Republican candidate for Mayor of New York. In the rest of the city, however, Marchi is considered too conservative.

Because its population has not merited a full congressional district, Staten Island over the years has been linked politically with various parts of Brooklyn or Manhattan. Today the constituency is elderly Jewish people living in housing projects and well-to-do Greenwich Village liberals (in the Manhattan portion of this district). Rep. Murphy is probably as close as one could be to a congressman acceptable to both parts of his district: a Democrat with not too liberal of a record, a West Point graduate with solid roots in Staten Island, and not totally unacceptable to those in Manhattan.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. S.⁰ WILLIAM GREEN
(R-N.Y. 18)

Committees: #16 Banking, Finance, and Urban Affairs
No subcommittee assignments

Percentage of Support: 100% (based only on 2 votes)

Favorable Votes

B-1 Bomber-Mahon Amendment-Feb. 1978
D.C. Voting Rights-Final Passage

Personal Background: Rep. Bill Green, of Manhattan, received his B.A. from Harvard College in 1950 and graduated magna cum laude. He received his J.D. from Harvard Law School in 1953 and graduated magna cum laude. He was admitted to the bar of the District of Columbia in 1953 and New York State in 1954. He served in the U.S. Army 1953-55. He was the law secretary to Judge George T. Washington, U.S. Court of Appeals for the District of Columbia Circuit. From 1956-70, he was an attorney in private practice in New York City and served as chief counsel to the New York Legislative Committee on Housing and Urban Development (1961-64). Bill Green served in the New York State Assembly 1965-68. He was the Regional Administrator for the Department of Housing and Urban Development from 1970-77. He is married to the former Patricia Freiberg, and they have two children: Catherine and Louis. Rep. Green is 48 years old. His family owns the Grand Union Company.

Bill Green was elected to the 95th Congress on February 14, 1978, in a special election to fill the vacancy caused by the resignation of Rep. Edward I. Koch. Since coming to Congress, Rep. Green has voted with us fairly consistently. The primary in New York will be on September 12. There are two candidates vying for the Democratic nomination: Carter Burden and former Congressman Allard Lowenstein. The race will be an expensive one.

District Information: The 18th Congressional District includes midtown Manhattan, Greenwich Village, and the Upper East Side. It is the most white collar of any American congressional district and has the fourth highest median income. The wealthy voters of this district are also among the most liberal in the country.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. CHARLES B. RANGEL
(D-N.Y. 19)

Committees: #11 Ways and Means
Subcommittees--Oversight
Public Assistance and Unemployment
Compensation
#7 Narcotics Abuse and Control (Select)
#2 Special Welfare Reform Subcommittee

Percentage of Support: 88.9%

Favorable Votes

Nuclear Aircraft Carrier
Economic Stimulus-Final Passage
Common Situs Picketing-Final Passage
International Financial Institutions-Final Passage
Water Projects-Derrick/Conte Amendment
Housing and Community Development-Block Grant Funds
Strip Mining-Conference Report
National Energy Act-Final Passage
Clinch River Breeder Reactor-Brown Amendment
Minimum Wage-Conference Report
Social Security-Final Passage
Social Security-Conference Report
Consumer Protection-Conference Report
B-1 Bomber-Mahon Amendment-Feb. 1978
D.C. Voting Rights-Final Passage

Unfavorable Votes

Bar Concorde Landing in New York

Personal Background: Rep. Charlie Rangel, of New York City, attended the public schools in Harlem. He enlisted in the U.S. Army and served from 1948-52. He has received various service-related awards. Following his military service, he graduated from New York University School of Commerce as a dean's list student and graduated from St. John's University School of Law as a dean's list student (1960). He has served in the following positions: U.S. Attorney, Southern District of New York, 1961; legal counsel, New York City Housing and Redevelopment Board, Neighborhood Conservation Bureau; and general counsel, National Advisory Commission on Selective Service. He served two terms in the New York State Assembly, 1966-70. He is active in the 369th Veterans Association, Community Education Program, and Martin Luther King Democrats. He is married to the former Alma Carter, and they have two children: Steven and Alicia. Rep. Rangel is 48 years old.

Rep. Rangel was elected to the U.S. House of Representatives in 1970 and has been reelected to each succeeding Congress. He has been a consistent supporter and stayed with us on Tax Reform in the Ways and Means Committee. He is committed to the Harlem Urban Development Corporation and has been working extensively with Jack Watson.

District Information: The 19th Congressional District represents Harlem and a portion of the Upper West Side. Following World War I, Harlem was a relatively prosperous area, but the depression hit this area very hard, and in many ways it has never recovered. For a quarter of a century, Harlem was represented by Rep. Adam Clayton Powell, Jr. He was defeated by Assemblyman Charles Rangel in the 1970 Democratic primary, which Rangel won by only 150 votes.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. THEODORE S. WEISS
(D-NY-20)

Committees:

22 Education and Labor
Subcommittees: Elementary, Secondary
and Vocational Education
Employment Opportunities
Labor-Management Relations

29 Government Operations
Subcommittees: Government Information
and Individual Rights
Manpower and Housing

Administration Support: 91.3 %

Favorable Votes:

Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Ban on Rhodesian Chrome
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
International Financial Institutions -- Final Passage
Housing and Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte
Strip Mining -- Conference Report
National Energy Act -- Final Passage
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Report
Minimum Wage -- Conference Report
Social Security -- Final Passage
Social Security -- Conference Report
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Admendment -- February 1978
D. C. Voting Rights -- Final Passage

Unfavorable Votes:

Turkish Embargo -- Wright Amendment
Emergency Natural Gas -- Conference Report
Department of Energy Organization Act -- National Energy Board
Bar Concorde Landing in New York

Weiss
page 2

Personal Information: Ted Weiss was born in Hungary in 1927 and came to the United States in 1938. He attended Syracuse University, practiced law in New York City. In 1946 he spent a year in the army, and returned to serve as Assistant District Attorney, New York County. He was also elected to the New York Council of the City of New York.

After unsuccessful bids to the U. S. House of Representatives in 1966 and 68, Weiss was finally elected in 1976. When Bella Abzug ran for the Senate in 1976, there was no democratic primary in the 20th district. Weiss had represented the Upper West Side on the New York Council for more than ten years, and ignored pleas that he step aside to let her return to Congress.

District Background: The 20th district encompasses hip, expensive Greenwich Village, raffish Chelsea, Times Square, Harlem and the northern tip of Manhattan. Most of the district votes are cast on the Upper West Side of this district with its complex ethnic composition.

Points of Interest: Weiss is a good supporter of the administration. However, we cannot help him because he has a contested primary.

He is also highly supportive of the CETA legislation. The CETA bill will be considered on the House floor Wednesday, August 9th. We are supporting the committee bill in hopes that a bill containing our modifications will come out of conference.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. ROBERT GARCIA
(D-NY-21)

Committees: # 32 Banking, Finance and Urban Affairs
 # 15 Post Office and Civil Service

Administration Support: 100.0% (based only on 2 votes)

Favorable Votes:

B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage

Personal Information: Bobby Garcia was born in New York City in 1933 and attended the Community College of New York. He also attended the RCA Institute and served in the U. S. Army during the Korean conflict in the Third Infantry Division. Prior to 1965, Bobby was a computer engineer with IBM in the control data center. Garcia was elected to the New York State Assembly, and in 1967 was elected to the New York State Senate. There he assumed the role of Deputy Minority Leader and won the respect of his colleagues. His wife's name is Anita and they have two children -- Robert and Kenneth.

In 1978, when Herman Badillo resigned to become a Deputy Mayor of New York City, Bobby Garcia won Badillo's seat in a special election. He had the full backing of Mr. Badillo, Rep. Jonathon Bingham, and other members of the New York Delegation. Although Rep. Garcia has always been a Democrat and was sworn in as a member of the House of Representatives as a Democrat, he was not selected to be the Democratic nominee in the election and ran as a liberal Republican.

He has always been a spokesman for the Puerto Rican community in New York City and was particularly active in rehabilitating the Hunts Point Market area in the South Bronx.

Garcia
page 2

District Background: The 21st congressional district comprises the South Bronx, and is geographically about a mile from Manhattan's posh Upper East Side. However, they are a world apart. Most of its residents are minorities with 44% of the population being Puerto Rican and 43% being black. A huge percentage of the residents are under 18 and unsurprisingly, the people in the 21st district are not active voters. In 1976, only 18% of those eligible to vote did so. Thus, it was the lowest voter turnout of any congressional district in the country.

Points of Interest: Bobby Garcia is independent but stays with us on key issues. He voted for the Wright Amendment and supports us on Civil Service Reform.

You met with Garcia on February 22 of this year to congratulate him upon his election, and to urge him to support the B1 Bomber.

WASHINGTON

Rep. JONATHAN B. BINGHAM
(D-NY-22)

Administration Support: 97.8 %

Turkish Embargo/ Wright Amendment
Emergency Natural Gas -- Conference Report
Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Ban on Rhodesian Chrome
Economic Stimulus -- Final Passage
Common Site Picketing -- Final Passage
Executive Reorganization Authorization -- Walker Substitute
International Financial Institutions -- Final Passage
Water Projects -- Budget Resolution
Housing & Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte
Strip Mining -- Conference Report
National Energy Act -- Final Passage
Minimum Wage -- Indexing
Minimum Wage -- Youth Differential
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Passage
Social Security -- Conference Report
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage

Bar Concorde Landing in New York

Bingham
page 2

Personal Background: Jack Bingham is the son of the late Senator Hiram Bingham of Connecticut. After graduating from Yale, he practiced law in New York. Prior to his service during World War II in military intelligence, he was an occasional correspondent for the New York Herald Tribune. Bingham served as an aide to Averell Harriman in the fifties, and under Adlai Stevenson at the United Nations in the sixties. His wife's name is June and they have four married children.

District Background: The 22nd district lines run from the Grand Concourse of the Bronx to Co-op City. The advancing slums of the South Bronx have wrecked real estate values; yet, this district remains basically a residential area. Towering apartment buildings house hundreds of thousands of middle income New Yorkers.

The Republican legislature cooperated with the Bronx Democratic machine in 1972 in deciding to place the Bronx's two reform Congressmen in this district. James Scheuer and Bingham had both won election to the House and neither wanted to oppose each other. However, both wanted to stay in Congress, so they fought it out, and Bingham won with 55% of the vote. Scheuer now represents the 11th district.

Points of Interest: Jack helped lead the fight for the Wright Amendment. He has the highest administration support rating (excluding the new Members of the House) in the Congress according to the Congressional Quarterly.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. WILLIAM MOORHEAD
(D-PA-14)

Committees:

# 3	Banking, Finance and Urban Affairs
	Subcommittees: Economic Stabilization (Chairman) Housing and Community Development International Development Institutions and Finance
# 5	Government Operations
	Subcommittees: Environment, Energy, and Natural Resources Legislation and National Security
# 3	Joint Economic Committee (House)
	Subcommittees: Fiscal and Intergovernmental Policy (Co-chairman) International Economics

Administration Support: 97.8 %

Favorable Votes:

Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus -- Final Passage
Bar Concorde Landing in New York
Water Projects -- Derrick/Conte
Strip Mining -- Conference Report
Housing & Community Development -- Block Grant Funds
National Energy Act -- Final Passage
Social Security -- Final Passage
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978
D. C. Voting Rights -- Final Passage
Turkish Embargo/ Wright Amendment

Unfavorable Votes:

Clinch River Breeder -- Brown Amendment

Moorhead
page 2

Personal Information: Bill Moorhead of Pittsburgh, attended Yale University and Harvard Law School. He served in the U. S. Navy in the Pacific Theater Operation and returned to Pittsburgh in 1946 to practice law. He became assistant city solicitor in 1954, and was a member of the Allegheny County Housing Authority. Bill Moorhead's wife's name is Lucy and they have four children. He is 55 years old.

Moorhead was first elected to the U. S. House of Representatives in 1958 from a solidly Democratic district. After twenty years in the House, he is a senior member of two powerful committees, and hold the rank of Assistant Democratic Whip. He won 78% of the vote in his 1976 election.

District Background: This traditionally Democratic district includes central Pittsburgh, plus its surrounding suburbs. The ethnic composition consists of 21% black and 25% foreign stock.

Points of Interest: Rep. Moorhead was floor manager and totally responsible for passage of the New York City Loan Guarantee Act of 1978. He should definitely be thanked for his hard work. The day the bill passed, his picture was on the front page of the New York Times.

He has always been interested in urban policy and hopes to promote a "renaissance" in our nation's urban centers.

Bill Moorhead always goes out in front for us and is always dependable.

THE WHITE HOUSE

WASHINGTON

August 4, 1978

Rep. THOMAS LUDLOW ASHLEY
(D-Ohio-9)

Committees: # 2 Banking, Finance and Urban Affairs
 Subcommittees: Economic Stabilization
 Financial Institutions,
 Supervision, Regulation,
 and Insurance
 Housing and Community
 Development (Chairman)

 # 3 Budget
 Subcommittee: Economic Policy (Chairman)

 # 2 Merchant Marine and Fisheries
 Subcommittee: Merchant Marine

Administration Support: 88.98 %

Favorable Votes:

Nuclear Aircraft Carrier
Tax Cuts -- Recommit \$50 Rebate
Economic Stimulus -- Final Passage
Housing & Community Development -- Block Grant Funds
Water Projects -- Derrick/Conte
National Energy Act -- Final Passage
Clinch River Breeder -- Brown Amendment
Labor Law Revision -- Final Passage
Minimum Wage -- Conference Report
Consumer Protection -- Final Passage
B1 Bomber -- Mahon Amendment -- February 1978

Unfavorable Votes:

Turkish Embargo/ Wright Amendment
Water Projects -- Budget Resolution
Department of Energy Organization Act -- National Energy Board
Minimum Wage -- Youth Differential
D. C. Voting Rights -- Final Passage

Personal Information: Lud Ashley inherits his love for politics from his great-grandfather, a former Congressman from Toledo. Rep. Ashley served in the U. S. Army from 1943 to 45 and was assigned to the Pacific Theater of Operations. He received his

Ashley
page 2

B. A. degree from Yale and his LL.B. from Ohio State University. Ashley served with Radio Free Europe in 1952 and was elected to the U. S. House of Representatives in 1954. He is married to Kathleen Lucey and they have two sons -- Meredith and Mark. He is 55 years old.

In 1974, Ashley won only 53% of the vote in his district, primarily because he was arrested for a drunk driving charge in 1973 and spent three days in jail. In 1976, he won 54.2% of the vote, and his district is thus classified as potentially marginal.

In 1977 Rep. Ashley was selected by the Speaker to be Chairman of the Ad Hoc Select House Committee on Energy. He worked to secure passage of the administration's energy plan in the House.

District Background: The 9th district (most of Lucas County including the city of Toledo) is heavily industrial and has a large ethnic concentration (mainly Polish-American). Toledo has been traditionally Democratic although it is surrounded by staunch Republican areas.

Points of Interest: Lud Ashley should be thanked for his efforts in securing passage of the New York City Loan Guarantee Act of 1978.

He is a good supporter of the administration and a very close friend of Speaker O'Neill.

THE WHITE HOUSE

WASHINGTON

August 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Disaster at Love Canal, Niagara Falls, New York

Governor Carey will no doubt bring up this situation with you today.

BACKGROUND

Hooker Chemical Company used the Love Canal as a chemical waste fill until the site was sold to the City of Niagara Falls in 1953. It was then used for municipal wastes and eventually covered over, at which time the adjoining area was developed. There are now about 225 homes and a public school near the Canal.

About three years ago, visible evidence of chemical leakage began to appear in homes, yards and playgrounds. Tests found that air in homes contained high levels of halogenated hydrocarbons including benzene. Blood tests and epidemiological data showed high incidence of miscarriage, birth defects and blood anomalies.

The New York Department of Health declared a health emergency on August 2, 1978 and ordered the County Health officials to clean up as much as they could. It was also recommended that pregnant women and children under two years of age be evacuated.

On August 3, 1978, Governor Carey requested that the area be declared eligible for federal disaster assistance.

FEDERAL RESPONSE

Last evening, the area was officially designated as eligible for federal emergency assistance. Key elements in the assistance which is now available include:

- removing the families immediately and paying for their housing for a short period of time (exact period not yet determined);
- contracting with EPA to take immediate steps to stop the seepage as soon as possible (about \$1.6 million); and
- placing an on-site coordinator for the federal emergency assistance.

As requested, the State of New York is the lead entity; we are fitting our assistance into their scheme of programs and policies. In accordance with your decision, a \$3 million ceiling has been imposed.

The Federal Regional Council has made an initial review of other sources of assistance and has made all that information available to Governor Carey and his staff; they will continue to work closely with the Governor on these sources.

The Congress has passed a resolution indicating their support for federal assistance to the community of Niagara Falls. Although the details will be worked out in conference within the next few days, it appears that about \$4 million will be earmarked from add-ons made by the Senate to the EPA budget; the most promising target is Section 4008 -- Solid Waste, of the Resource, Conservation and Recovery Act.

UNRESOLVED ISSUES

So far, Hooker Chemical Company has denied any responsibility for assuming part of the costs of clean up and repair.

HUD Community Development funds can be used to purchase the homes of the relocated families, but under New York law, only market value can be paid. Market value for these homes is now zero. A revision to the New York Condemnation Law could make it possible for the CD funds to pay pre-emergency values.

FACT SHEET ON THE ECONOMY

NEW YORK STATE

- o Population of New York in mid-1977 was 17.9 million, ranking it second to California in terms of population, while ranking 30th in land area. Since 1970, the population has declined 1.7 percent, compared with 6.4 percent growth for the nation. According to the 1970 Census, 13.2 percent of the State's population were black and other non-white races.
- o Unemployment rate in June was 7.4 percent (seasonally adjusted), down from 8.8 percent a year earlier. This compared with a rate of 5.7 percent for the total U.S., down from 7.1 percent a year earlier.
- o Employment was 7.2 million out of a labor force of 7.8 million in June, up 2.0 percent from a year earlier, compared with a nationwide increase of 4.3 percent over the same time span.
- o Income: Per capita income in 1976 of \$7,019 ranked 9th among the states. It had advanced 7.3 percent from the previous year, a bit less than the 9.3 percent national average. (Fastest growth was generally registered in states with lowest per capita income.)
- o Industry: New York State is a leader in finance, trade, transportation, and manufacturing. Most agricultural income is derived from dairy and livestock products.

NEW YORK CITY

- o Population of the city of New York in 1975 was 7.5 million, down 5.6 percent from 1970, but still ranking as the most populous city. According to the 1970 Census, about 25 percent of the population were black and other non-white races.
- o Unemployment rate for New York City in May was 8.2 percent (not seasonally adjusted), down from 8.6 percent a year earlier.
- o Employment of 2.8 million in May was up only 1.6 percent from a year earlier.
- o Industry: New York City is the national center of the finance, insurance, communications, advertising and publishing industries.

The largest manufacturing industries are apparel and textiles, printing and publishing, and food processing.

Over the next four years, the City must borrow \$4.5 billion on a long-term basis. Since the Federal participation is limited to \$1.65 billion, the remainder of the City's long-term and short-term borrowing needs must be met by a combination of public sales and private placements of City or MAC debt. An agreement in principle has been reached between the various local parties for a total of \$1.8 billion in long-term unguaranteed loans through the City's 1982 Fiscal Year, as well as seasonal financing requirements for FY 1979. Negotiations on the terms and conditions of the \$1.8 billion in financing are continuing between the City, the City and State pension funds, MAC, the New York City Clearinghouse Banks, and a consortium of life insurance companies and mutual savings banks. We doubt that the financing arrangements can be concluded before mid-September when the City will have cash-flow problems. Discussions are beginning, however, on contingency plans to fill this gap, including bridge loans by the banks.

There are several provisions which reduce the likelihood of other cities seeking assistance similar to that which is provided in this legislation. Most importantly, the guarantees may be issued only to employee pension funds of the City or State, as the Administration proposed. In addition, the City would be subject to the following requirements: (1) a balanced budget by FY 1982; (2) submission by the City to annual audits of its financial affairs by an independent audit committee; (3) maintenance by the State of an independent fiscal monitor to supervise the City's financial affairs; and (4) submission by the City to audits by the General Accounting Office.

Assuming no default by the City, the legislation would not entail any cost to the Federal government. The Secretary is required to assess a guarantee fee of .5 percent per year on outstanding guarantee principal to offset the government's administrative costs.

NEW YORK ISSUES

The issues raised below are divided into three categories: (1) major New York City issues; (2) issues of particular importance to Governor Carey; and (3) issues of particular importance to Mayor Koch.

I. Major New York City Issues

New York City Loan Guarantee Act of 1978

The Guarantee Bill is described in greater detail in the enrolled bill memorandum. Essentially, the legislation would authorize the Secretary of the Treasury to guarantee the payment of principal on long-term debt issued by New York City or its financing agent, the Municipal Assistance Corporation (MAC), during the four-year period ending June 30, 1982. The Administration's original proposal would have permitted the issuance of guarantees up to \$2 billion, but we do not regard this change by the Congress as likely to be significant.

The Bill permits the Secretary to guarantee long-term City bonds sold to the City and State pension funds up to the following amounts: \$500 million in City FY 1979, \$500 million in FY 1980, \$325 million in FY 1981 and \$325 million in FY 1982. The duration of the guarantees may not exceed 15 years and will lapse if the City debt is sold by the pension funds prior to maturity. The guarantee authority in FY 1980 and FY 1981 is subject to a one-House veto, and the FY 1982 amount can only be used in the event the Secretary determines that the City's budget in that year will be balanced according to generally accepted accounting principles.

In addition to the long-term guarantee authority, the Secretary may guarantee up to \$325 million of short-term loans during FY 1979 if the City pension funds cannot provide seasonal lending assistance on an unguaranteed basis without endangering their tax-exempt status. Legislation which would permit the City pension funds to make such investments without threatening their tax-exempt status is now pending before Senator Bentsen's Senate Finance Subcommittee. You should be aware that negotiations over the form of this necessary enabling legislation have become deadlocked, but we are hopeful that the impasse can be broken once the entire financing package involving all the City's financing partners has been completed.

Administration Actions Benefiting New York City

There is an inadequate appreciation of the degree to which your Administration has increased federal aid to the City.

An analysis released by Senator Moynihan recently showed that in fiscal 1977 New York's share of federal spending showed the largest proportionate increase of any state in the nation. Specifically, in 1977 total federal spending in New York rose by \$7.7 billion to a total of \$34 billion, a percentage increase of 29% that outranked any other state.

(Note: \$2.1 billion of the increase came automatically under social programs such as welfare and Social Security, which Moynihan argues does not represent the sort of federal spending that directly spurs a state's economy, such as highway funds. On the other hand, New York's share of federal dollars spent for military supplies rose over 20%, from 8.6% of the national total in 1976 to 10.3% last year.)

Following are significant Administrations actions that have increased aid to New York City:

1. The City's CETA funding increased from approximately \$180 million in 1977 to \$411 million in 1978. ✓
2. The Local Public Works Program nearly doubled the \$102 million allocated to the City in 1977 to \$192 million in 1978. ✓
3. The extension of countercyclical assistance provided approximately \$240 million in fiscal years 1977 and 1978. ✓
4. Under the dual distribution formula of the Community Development Block Grant program, the City will receive \$223.6 million in fiscal year 1978 compared to \$150 million in 1977 -- over a \$70 million increase. ✓
5. In October 1977, the Administration provided the City a \$280 million mass transit grant. In 1977 it approved an \$800 million grant for the Westway Highway to stimulate development on Manhattan's West Side, and it approved the sale of the right-of-way of the Westway Interstate Highway to New York State, resulting in approximately \$80 million in revenues to the City. ✓

6. You approved a settlement of \$543 million against \$2.6 billion in claims under the Title XX program. Of the estimated \$214 million which New York State would receive, a substantial portion, perhaps half, would be passed to New York City. Congress has not yet passed the legislation to implement this settlement.

In addition, the President's urban policy package and related proposals, which are before Congress now, will directly benefit New York City.

1. Under the \$1.04 billion Supplemental Assistance Program, the City would receive approximately \$140 million in fiscal year 1979 compared to approximately \$55 million if Countercyclical Revenue Sharing were extended beyond its September, 1978, expiration date.
2. New York City will continue to receive its CETA funding if Congress passes the Administration's extension of the program.
3. The City would receive new monies under the proposed three-year Labor Intensive Public Works Program, funded at \$1 billion per year.
4. New York City is an eligible area for two major initiatives targeted to economically distressed communities:
 - a. Certificates of necessity to provide a 5% differential investment tax credit to companies investing in plant and equipment in a distressed area.
 - b. An increase from \$5 to \$20 million of tax-exempt or subsidized taxable industrial development bonds that can be issued to finance capital project costs targeted to distressed areas only.
5. The proposed targeted employment tax credit at a \$1.5 billion, three-year tax expenditure cost, will provide a tax credit to employers who hire young CETA-referred workers.
6. The Administration's welfare reform package will result in an estimated \$175 million relief to New York City in 1981.
7. The Administration's proposed Child Health Assessment Program will provide \$8.8 million in increased health services for children in New York City.

Finally, New York City is eligible under the \$400 million Urban Development Action Grant Program.

Note: In terms of what has been done already, in Federal Fiscal 1978, total Federal grants to New York City will have increased by 33%, as compared to Fiscal 1976. This is a sharp increase, by any measure, and is almost entirely attributable to initiatives which you have taken.

Supplementary Fiscal Assistance Legislation (SFA)

A key element of our urban policy is the proposed SFA legislation. It would authorize payments of \$1 billion in each of fiscal 1979 and fiscal 1980 to fiscally distressed local governments. Allocations would be made under a formula reflecting four factors: unemployment rates, employment growth, per capita income growth and population trends.

This bill is important to New York State and even more important to the City. Communities within the State would receive a total of \$209 million in SFA funds. Of this amount, \$140 million would be received by the City. These latter funds are crucial to the NYC's budget plans for the next two years. Without this money, vital services (police, fire, sanitation) necessarily would be cut by these amounts.

Unfortunately, a House Government Operations Subcommittee voted 7-6 on Wednesday, August 2 to indefinitely postpone consideration of the SFA bill. It is unlikely that this legislation can be revived in full Committee. Favorable Senate action is possible, however, and Senators Long, Hathaway and Moynihan of the Finance Committee have agreed to seek a similar type of bill. If we get a Senate bill, then it may be possible to get a Conference Bill including it through the full House.

We are now concentrating on passing legislation of this type in the Senate. Stu met with Moynihan and Long last week to review possible ways of changing our legislation to enable a local assistance bill to get through the Senate. Discussions will be continuing with them, as well as Senators Hathaway and Muskie, during this week.

HOUSING AND COMMUNITY DEVELOPMENT

Urban Development Action Grants (UDAG)

New York City has received two Action Grants:

- o The first will aid a private firm which will relocate and expand its operations. The "art deco" building into which the firm will relocate presently houses an unused municipal incinerator. Action Grant: \$300,000. Private Funds: \$1,000,000. New Permanent Jobs: 25. Retained Jobs: 42. Construction Jobs: 25.
- o The second Action Grant will assist electroplating, plastics and other industrial firms with high-energy costs to buy "co-generation" energy plants. This innovative program will allow firms with high energy costs to remain in New York City. Action Grant Funds: \$3,000,000 to be used for loans. Private Funds: \$3,600,000 in equity and bank loans. Jobs Retained: 1,250.

Section 8 Housing Assistance -- 1978 Activity

14,996 Units Reserved
2,727 Units Started

In addition, construction on 7,100 new and rehabilitated units will begin in the next sixty days.

South Bronx Development

In April, Jack Watson and Mayor Koch made a public announcement concerning the City's Preliminary Draft Plan for South Bronx Development.

The Federal government indicated to the City at that time that we expect the City to establish a South Bronx Development Unit reporting directly to Deputy Mayor Badillio and Mayor Koch. HUD has not yet received a plan for the development unit. We have agreed with the City that all new construction in the South Bronx will be low rise, low density. This is also strongly favored by the community. The initial Federal package for the South Bronx totaled \$55 million from various Federal Departments. The bulk of this commitment was provided by EDA.

The Mayor and the Administration have taken the position that the South Bronx will receive its fair share of all Federal resources that normally flow into the City, but that resources will not be reallocated from other parts of the City to the

South Bronx for redevelopment purposes. You should be aware that (1) there is an unfounded fear in other sections of the City that they will be shortchanged in order to benefit the South Bronx, and (2) Representatives Chisolm and Rangel have sought special South Bronx-type commitments for their districts from the Administration.

Battery Park City

This is a development backed by a \$68 million HUD-insured mortgage on a Hudson River landfill which will include 1,639 units for middle- and upper-income tenants to bring residential buildings to a commercial area. In the absence of this Federal insurance, the Battery Park City Authority would have ceased operations, and the State would have been forced to bail out this massive project, which was begun under Governor Rockefeller.

NEW YORK CITY AIR QUALITY

In response to the Clean Air Act, major areas of New York City have been classified as not attaining national air quality standards. The fact that major areas are in contravention of standards requires the City, as well as the State, to develop strategies to abate the problem. A major effort to implement the necessary programs is presently underway, aimed at developing a comprehensive implementation plan revision by January 1, 1979.

It should be noted, however, that a recent study on air quality in selected urban areas has ranked New York City among the cleanest in the United States. Great progress has been made in the abatement of air pollution in New York City, especially in the area of fuel combustion, incineration, and process sources. It is estimated that over 50,000 of these types of sources exist. Reductions, as great as 70 to 80 percent, in ambient levels of particulates and sulfur dioxide have been documented. However, as in other major urban centers, New York City is experiencing the problems of population density and resultant congestion.

D.O.T. GRANT TO NEW YORK CITY

On Monday, August 7, Secretary Adams announced five construction grants totalling \$134.5 million for improvements in New York City's public transportation system. The announcement was made at the suggestion of the White House to generate favorable press immediately prior to your visit.

The grants provide additional funding for the 63rd Street and Archer Avenue rapid transit extensions, the Long Island Rail Road commuter line extension and for modernization of existing Conrail, Harlem and Hudson track and signal systems.

The Secretary noted that with the grants made Monday by UMTA, Federal participation in the 63rd Street rapid transit line project now totals more than \$415 million. For the Archer Avenue rapid transit line DOT financial assistance totals \$179.6 million and for the Long Island Rail Road commuter line extension the new total is \$134 million.

LOCAL CITY ISSUES

Brooklyn

We have had letters from Congresswomen Chisolm and Borough President Golden about having President or high-level White House person visit Brooklyn and do something special for them. We have put them off, for the time being.

Harlem

Congressman Rangel has been pressing for White House concern regarding Harlem. Califano while visiting promised and then set up a Health Task Force doing a major review of health needs in Harlem. Chip Carter visited, and the Cities in Schools project has an effort on-going in Harlem. The City has submitted a proposal to Milliken to a multi-social service project in Harlem. The Congressman also wants to develop a Third World Trade Center, and we are awaiting details on this project.

Crown Heights, Brooklyn

There have been considerable Jewish-black disturbances recently. The Rabbis have applied for an LEAA community crime prevention grant. They were turned down first time but have resubmitted. We have met with them several times. The City would like to do something with such programs, but jointly between the Jews and blacks. It is a delicate and local situation.

In addition, a Brooklyn black businessman, Arthur Miller, recently died while in police custody under circumstances suggesting excessive police force. The local district attorney is investigating this matter. At the request of the United States Attorney in Brooklyn, the Justice Department has held up the FBI's investigation pending the outcome of the inquiry being conducted by the local district attorney.

II. Issues of Concern to Governor Carey

Buffalo

In view of Lt. Governor Krupsak's upstate popularity, the Governor has sought special federal assistance in the most critical upstate city, Buffalo. Several weeks ago, he requested that we commit to a comprehensive effort to redevelop Buffalo along the lines of the South Bronx model. We have made it clear that the South Bronx is a one-time effort, and that particularly in view of pressures from around the country for special treatment that we certainly could not make a commitment to another such city in New York State. Stuart's staff has asked the Governor's staff to prepare specific projects in Buffalo on which federal action might be taken before the September primary. You also might note that we are working with the State Urban Development Corporation to identify development projects which can be expedited over the near term.

Fort Drum

Fort Drum is located in New York State. Governor Carey is aware that the Department of Defense is now preparing recommendations for you as to where the 2nd Infantry Division to be withdrawn from Korea should be restationed, and that the leading choices are Fort Bliss and Fort Drum. The strongest consideration favoring Fort Drum is that a cold weather climate would be appropriate for training troops for combat in an area such as Korea. On the other hand, there are limited permanent facilities at Camp Drum, and any permanent stationing of 2nd Infantry Division units would require substantial construction. In fact, this apparently will be a close decision, but you should simply indicate to the Governor that you are awaiting Secretary Brown's recommendation.

Mitchell-Lama Housing

The Mitchell-Lama program conducted by both the City and State of New York was a program whereby tax exempt bonds sold by either the City or State of New York were used to finance low and moderate income housing. The tax exempt feature of the bond, coupled with mandatory tax abatement, was thought to be a sufficient subsidy to enable low and moderate income people to pay the normal operating costs of such buildings.

During the development of the program for the very low income projects, the Federal Government coupled 236 interest subsidy programs with some of these Mitchell-Lama financed projects. Others had no further additional subsidy. During the fiscal

crisis in New York City, the City was in a position whereby it had held on short-term financing many projects which were in the process of construction. With the collapse of the City's ability to sell its bonds at other than prohibitive interest rates, the City found it necessary to forego the permanent financing for these projects until such time as it could sell its bonds at previously anticipated prices. Because the short-term financing was at a higher interest rate than the permanent financing, the projects' economic viability was threatened.

With respect to the 236 aided projects, there is presently before Congress, which we expect to become law, a provision for giving operating subsidy aid to some of these projects where need is demonstrated on a project-by-project basis. This will become effective for the State Mitchell-Lama projects which receive Federal 236 subsidies on October 1, 1979.

The Governor is deeply concerned about the need to show progress on this issue quickly, and Stu's staff will be discussing this subject with the Governor on the day before your New York trip.

"Co-op City"

Co-op City is a development in the Bronx with approximately 70,000 residents, most of whom are Jewish and vote heavily in Democratic primaries. The project is in deep trouble financially, but it is basically a state-sponsored project, and it is unclear precisely what, if anything, the federal government can do to help. Again, Stu's staff has sought specific requests for assistance from the Governor's staff, but thus far nothing has been forthcoming. This is also, however, an issue which the Governor indicated he would discuss personally Monday with Stu's staff.

Northeast Regional Energy Development Corporation

On behalf of Governor Carey and other Northeastern Governors, Felix Rohatyn has discussed with the Administration a proposal for a Northeast Regional Energy Development Corporation. The Corporation would be federally chartered and backed by federal guarantees. Its working capital would be raised from participating northeastern states. Its activities could include any energy development project including coal gasification or other synthetic fuels, biomass energy, alternative energy sources, or traditional forms of energy such as coal or nuclear power plants.

The Administration has taken no formal position on the proposal although in indicating our willingness to review it, reservations were expressed by both the Treasury and Energy Departments. Principally, these are:

- o Overlap and duplication of activities of DOE in commercializing new energy technologies DOE was formed to unify these programs and policies -- this program could scatter them again.
- o Federal budget concerns -- the federal government could be asked to guarantee loans made by the Corporation in amounts as high as fifteen times the capital put up by the participating states.
- o The possibility that approval of this proposal would spawn demands for several similar entities in other regions of the country, thereby exacerbating the two previous problems.

Although legislation has been introduced to set up such a corporation, it has not moved.

We suggest you indicate that the Administration still has the northeastern governors proposal under consideration, although we continue to have reservations about the potential for duplication of DOE activities and about the budget implications of such a program.

III. Issues of Concern to Mayor Koch

Labor Intensive Public Works Program (LIPW)

In response to suggestions that the Administration's LIPW program was too sharply targeted to the disadvantaged, we have revised our original program. The two key changes we have recommended are:

- o Reduction of the percentage of jobs reserved for the disadvantaged to 25 percent rather than 50 percent. This was proposed in testimony by Mayor Koch.
- o Reduction of the required percentage of funds used to pay wages from 50 percent to 40 percent.

Both of the changes would apply only to the first year of the three-year program. To date we have had little success on getting our proposals in the House. We are focussing therefore on the Senate, where we are hoping to put together a group of Senators on the Public Works Committee, including Moynihan, to support our position and get the bill moving through the Committee where it is currently languishing. Realistically the prospects for LIPW are very doubtful.

Welfare Reform

Once it became clear that the 95th Congress would not pass a comprehensive welfare reform package, Senator Moynihan (with Senators Cranston and Long) began developing a greatly scaled down welfare bill. This bill would provide relatively little reform; its heart would be Fiscal relief (about 50% of its \$5-6 billion cost). About a third of that Fiscal relief would go to California and New York. Other parts of the bill would make more difficult our efforts to establish a uniform minimum benefit level, encourage families to stay together, and create public service jobs for those able to work.

Although the Moynihan bill has not yet been formally introduced, the Administration has made its opposition clear (though you have not personally addressed the issue in public). Our biggest objection is that meaningful reform is being sacrificed in order to provide certain areas of the country with Fiscal relief; if the relief is provided, the incentive, on the part of New Coalition members and other welfare reform advocates, to push subsequently for reforms will be severely reduced, if not eliminated.

The Administration is working now, with the New Coalition, to develop a scaled down welfare reform bill, for introduction next year. The bill would probably be in the \$12 billion

range, would provide about 700,000 public service jobs and provide about \$1.7 billion in Fiscal relief. The Fiscal relief would probably be provided upon passage of the bill (as opposed to FY '81 as initially proposed in the Program for Better Jobs and Income).

Mayor Koch is concerned about immediate Fiscal relief and would like the Administration to endorse the Moynihan approach. He made this point very clear in a recent meeting with Stu Eizenstat, who told the Mayor of our opposition to Moynihan's approach (though we are willing to compromise on some of the reforms).

EVENTS

THE WHITE HOUSE

WASHINGTON

August 7, 1978

MEMORANDUM FOR FRAN VOORDE

FROM:

JACK WATSON *Jack*

SUBJECT:

The President's Meeting with Cardinal
Cooke, Tuesday, August 8, 1978

Here's some background information on the agenda items you sent to me for Cardinal Cooke's meeting with the President:

1. South Bronx

I visited with Cardinal Cooke and several priests from the Bronx on July 17th in New York. At that time, the Cardinal expressed to me his frustration at the lack of meaningful citizen participation in the City's plans for the South Bronx. He was eager that this be rectified through the creation of a central planning and delivery unit with a community link-up. I told him that we are negotiating with the City over the design of this unit; and one of our prime considerations is community input in the decision-making process. The Cardinal was most pleased to have established regular communications with the White House.

For your information, the status of our South Bronx project is as follows:

--On April 12th, I announced a \$55 million package of federal grants and loans to begin a South Bronx redevelopment effort. Jointly at this press conference, Mayor Koch presented a "draft proposal" for the South Bronx which contained a list of mostly federal projects, none of which were endorsed by the White House. The City has prepared no plan for the South Bronx.

--As a condition of this federal package, the White House requested that the City put together a central planning and delivery unit for the South Bronx with community participation. This has not been completed yet. However, the City does appear to be in the final stage of negotiations with Ed Logue to be project manager. (He used to direct the UDC* in New York, and also headed up the Boston Redevelopment Authority.)

--The City has been slow in preparing applications for the grants and loans offered to the South Bronx in April.

--The following pieces of the package are near completion or already underway:

- a. One-stop business service center was set up last month in the South Bronx. Federal, State and City staff are co-located here to help the South Bronx businesses apply for government assistance, obtain permits and cut through red tape.
- b. Open space projects have been designed by a community task force and presented to City and federal officials. This proposal would create community play yards, resource recovery facilities, and urban gardens on empty lots in the South Bronx. It would be funded at approximately \$0.5 million by the Interior Department as soon as the application is complete (late August).

2. Tuition Tax Credit Legislation

The Cardinal favors a tuition tax credit for elementary and secondary schools, rather than for college.

3. Military Visits

Cardinal Cooke is the bishop of Catholics in the military. In this capacity, he visited Germany and Italy recently to investigate morale and other conditions. He will want to tell the President what he learned.

*Urban Development Corporation

4. Pregnancy Disability Benefits Legislation

This legislation would overturn a Supreme Court ruling that employers are not engaging in sex discrimination when they provide disability benefit plans that exclude coverage for pregnancy-related disabilities. The legislation now pending in Congress would amend Title VII of the Civil Rights Act to require coverage for pregnancy disabilities in such employee plans.

The Cardinal is interested in a difference between the House and Senate bills. The Senate bill requires coverage for all pregnancy-related disabilities, while the House bill specifically excludes abortion-related disabilities from required coverage. The Administration's position is neutral on this issue. We will accept either bill.

THE WHITE HOUSE

WASHINGTON

FORMAT ----- Bill-signing Ceremony - City Hall

Mayor Koch and Governor Carey will make remarks before you. Mayor Koch will then formally introduce you.

You are expected to speak 10 minutes.

Immediately following your remarks, proceed to the table (at your left), sit down, and sign the bill.

Paul Reason will have placed it on the table, with appropriate pens.

You should not distribute any pens after the ceremony. Staff will take care of after the trip.